



- Betsy DeWitt – Chairman
- Nancy A. Daly
- Jesse Mermell
- Richard W. Benka
- Kenneth M. Goldstein
- Melvin A. Kleckner –  
Town Administrator

# AGENDA

## BOARD OF SELECTMEN

### CALENDAR FOR 12/06/2011 SELECTMEN'S HEARING ROOM

1. **ANNOUNCEMENTS**

**6:30 PM** Selectmen to announce recent and/or upcoming Events of Community Interest.

2. **SELECTMEN UPDATES**

Reports by individual Selectmen on activities related to carrying out the responsibilities of the Board.

3. **PUBLIC COMMENT**

Public Comment period for citizens who requested to speak to the Board regarding Town issues not on the Calendar.

4. **MISCELLANEOUS**

Approval of miscellaneous items pg. 3, #s11-13 licenses, vouchers, and contracts.

5. **REGULATION/CONTROL OF COYOTES**

**7:00 PM** Ann Tolkoff of Jordan Road will appear to discuss the Coyote problem in her neighborhood.

6. **COOLIDGE CORNER THEATRE PILOT**

**POSTPONED** Question of approving and executing a PILOT with the Coolidge Corner Theatre.

7. **FRAUD POLICY**

**7:30 PM** Question of adopting the Fraudulent Activities policy that has been vetted by Town Counsel, The Human Resources Board, Labor Counsel and the School Committee.

8. **FY 2012 TAX CLASSIFICATION**

**7:45 PM** Question of adopting percentages of the local tax levy for different classes of property and an exemption for certain residential properties.

9. **LONG RANGE FINANCIAL FORECAST**

**8:00 pm** Deputy Town Administrator Sean Cronin and Director of Finance

**Stephen Cirillo will present the FY13-FY17 Long Range Financial Forecast.**

**10. PRELIMINARY CAPITAL IMPROVEMENTS PROGRAM**

**Deputy Town Administrator Sean Cronin will appear to present the Preliminary FY13-FY18 Capital Improvements Program.**

**11. MISCELLANEOUS**

**12. Question of approving the minutes of November 29, 2011.**

**13. Question of approving Extra Work Order No. 3 in the amount of \$45,000.00 for work to be performed by Lorusso Corp. in connection with Contract No. PW/09-25 "Disposing of Leaves and Related Work". Said work order to be funded from the following accounts:**

<b>40004300 523593</b>	<b>\$40,000.00</b>
<b>4991EW40 523593</b>	<b>\$ 5,000.00</b>

***The Town of Brookline does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services or activities. Individuals who need auxiliary aids for effective communication in programs and services of the Town of Brookline are invited to make their needs known to the ADA Coordinator, Stephen Bressler, Town of Brookline, 11 Pierce Street, Brookline, MA 02445. Telephone (617) 730-2330; TDD (617) 730-2327; FAX (617) 730-2296; by e-mail at [sbressler@brooklinema.gov](mailto:sbressler@brooklinema.gov)***



# TOWN of BROOKLINE

*Massachusetts*

## DEPARTMENT OF FINANCE

TREASURY DIVISION

STEPHEN E. CIRILLO  
Treasurer and Collector

To: Melvin Kleckner, Town Administrator  
 From: Stephen Cirillo, Director of Finance *SCC*  
 Date: December 1, 2011  
 RE: **PILOT Agreement Between the Coolidge Corner Theatre and Town of Brookline**

The Coolidge Corner Theatre and Town have reached an agreement, pending approval of the Board of Selectmen, regarding a voluntary Payment In Lieu of Tax, for the property located at 290 Harvard Street. The agreement calls for a phasing up of the payment over a period of six years to an amount of 15% of the property tax on the portion of the building and land that is classified as tax exempt.

The Coolidge Corner Theatre offered this voluntary payment as symbol of their strong and continuing relationship with the Town. The dollar amounts associated with this agreement are not large and range from a first year payment of \$1,033.23 to a sixth year payment of \$6,693.13. The term of this agreement runs through June 30, 2017. Six months prior to the end of the term, either party may request a meeting to discuss any desired changes to the current language in order to for the PILOT Agreement to continue.

In the event that there are questions relating to the attached contract, Jennifer Dopazo and I ask that you or the Board of Selectmen contact us prior to the public meeting on the acceptance of the contract.

**AGREEMENT TO MAKE PAYMENTS IN LIEU OF TAXES**

AGREEMENT, made this day of December 13, 2011 at Brookline, Massachusetts by and among The Coolidge Corner Theatre Foundation (the "Theatre"), a non-profit corporation duly organized under Chapter 180 of the General Laws of the Commonwealth of Massachusetts having a usual place of business at 290 Harvard Street, Brookline, Massachusetts, and the Town of Brookline (the "Town"), a municipal corporation in the Commonwealth of Massachusetts.

**WITNESSETH THAT**

Whereas the Theatre is currently a tenant in a property of which a portion has been entitled to exemption from obligations to pay local real and personal property taxes pursuant to Massachusetts General Laws C. 59, § 5, Clause Third. However, the Theatre recognizes that regardless of its exempt status, the Town furnishes municipal services and the Theatre benefits from such services. Therefore, the Theatre is willing, voluntarily, to make certain payments toward the costs of providing municipal services to the Town in the form of a payment in lieu of taxes ("PILOT"); and

Whereas the Theatre and the Town acknowledge and agree that other real and personal property owned by the Theatre which is now entitled to exemption from taxation shall continue to remain so entitled, subject to applicable law relative to exemption from real and personal property taxation; and consistent with the above, that the above referenced property which is subject of this agreement shall be granted exemption upon timely application for exemption and preservation of statutory rights of appeal, insofar as may be necessary, in the event that any or all of the property is taxed by the Town in any particular fiscal year.

NOW, THEREFORE, for good and valuable consideration the receipt of which is hereby acknowledged the parties hereby agree as follows:

1. The Theatre shall be assessed a PILOT in the amount of fifteen percent (15%) of the commercial tax on a building, based upon the value of the Theatre portion of the building for the prior fiscal year, all as more particularly set forth below. The PILOT payments hereunder shall be phased in as follows:

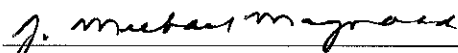
FY2012: 25% of 15% of Assessed Value at the Residential Tax Rate  
FY2013: 50% of 15% of Assessed Value at the Residential Tax Rate  
FY2014: 75% of 15% of Assessed Value at the Residential Tax Rate  
FY2015: 100% of 15% of Assessed Value at the Residential Tax Rate  
FY2016: 75% of 15% of Assessed Value at the Commercial Tax Rate  
FY2017: 100% of 15% of Assessed Value at the Commercial Tax Rate

2. The term of this Agreement shall be six (6) fiscal years, beginning with fiscal year 2012 (July 1, 2011 to June 30, 2012) and extending through fiscal year 2017 (July 1, 2016 to June 30, 2017). Six months prior to the termination of this agreement, the Theatre or Town may request, in written form, a meeting to review the current agreement and discuss any amendments needed to mutually renew the current voluntary agreement;
3. It is the intention of the Town, through its Board of Assessors, to recognize the Theatre as exempt pursuant to M.G.L.c59 § 2B and c 59 § 5, Clause Third in future fiscal years so long as and provided that (a) exemption is warranted as a matter of ownership, use and occupancy and (b) Form 3 ABC is timely filed with the Assessing Department for each fiscal year and any other requirements of the law have been satisfied.
4. In the event a real estate tax bill is issued for such property, the Theatre and the Town shall cooperate to ensure that the provisions of this Agreement are carried out. In such event, the Theatre agrees to do such things as are necessary to preserve the jurisdiction of the Town's Assessing Department to grant abatement relief on the basis of exemption, overvaluation, misclassification and/or disproportion, including timely filing of application(s) for abatement and any appurtenant supporting documentation and timely payment of the PILOT payment, as required in M.G.L. c. 59, § 64. Provided that the Theatre is entitled to abatement of any tax reflected on any such real estate tax bill, the Town shall abate such tax.
5. If at any time hereafter, due to a change in the laws applicable to exemptions from real property taxation any tax payment is required for any property which is a subject of this agreement, then at the option of the Theatre, this Agreement may be terminated or such payment will be credited against the PILOT obligation as calculated above. Any overpayment made in a fiscal year by reason of this provision shall be credited against future PILOT obligations or refunded if no such future obligations exist.
6. Pursuant to applicable law, the Town may assess, and require that an otherwise tax-exempt institution pay real estate taxes based upon any commercial operation or uses of said property which are not exempt from taxation. In such event the PILOT Payments hereunder shall be reduced on a prorated basis, based upon the portion of the Property which is being used for such commercial operation.

7. If the Commonwealth of Massachusetts hereafter reimburses the Town for property taxes lost as a result of exemptions and said reimbursement is based in part of valuation of property occupied by the Theatre which is the subject of this Agreement, there shall be a reduction of the amounts payable thereafter under this Agreement. Such reduction shall be in an amount equal to the percentage which the valuation of the Theatre property under this Agreement constitutes as compared with the valuation of all exempt buildings on which the reimbursement is based. Such reduction shall be credited against the payment due under this Agreement in each fiscal year in which the Town receives the reimbursement.
8. This Agreement is entered into in connection with the PILOT Policy adopted by the Town on December 18, 2007 and amended on June 28, 2011. In the event that in the future the Town discontinues or abandons such Policy or ceases to apply or implement such Policy as to non-participating non-profit organizations located or conducting business in the Town, then the Theatre shall have the right to terminate this Agreement, and in such event this Agreement will be of no further force or effect.
9. The provisions of this Agreement shall be binding and inure to the benefit of the parties hereto and their respective legal representatives, successors in office or interests, and assigns, and may be amended only by an agreement in writing duly executed by the parties hereto or their successors.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed as a sealed instrument by its officers duly authorized as of the day and year first above written.

The Coolidge Corner Theatre Foundation  
By:

  
\_\_\_\_\_  
Duly Authorized  
Print Name and Title

J. Michael Maynard  
Board Chair, Coolidge Corner Theatre Foundation

Town of Brookline  
By its Board of Selectman:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Approved as to form:

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Jennifer Gilbert, Town Counsel



# TOWN of BROOKLINE

*Massachusetts*

**Office of the Comptroller**  
**333 Washington Street**  
**Brookline, MA 02146**  
**Direct line (617) 730-2030 fax (617) 739-7555**  
 jhaupin@brooklinema.gov

To: Brookline Board of Selectmen

November 15, 2011

From: Judy Haupin, Comptroller

Subject: Policy Against Fraudulent Conduct, Misappropriation and Corruption overview

In the Management Letter issued by Powers and Sullivan for the Fiscal year 2007, Fraud Risk Assessment first appeared as an Informational Comment. In part, the 2007 Informational Comment stated the following:

*"The opportunity to commit and conceal fraud exists where there are assets susceptible to misappropriation and inadequate controls to prevent or detect the fraud. To address this risk, we recommend that the Town perform a risk assessment to identify, analyze, and manage the risk of asset misappropriation. Risk assessment, including fraud risk assessment, is one element of internal control. Thus, ideally, the Town's internal control should include performance of this assessment, even though our annual financial statement audits include consideration of fraud.*

*The fraud risk assessment can be informal and performed by a management-level individual who has extensive knowledge of the Town that might be used in the assessment. Ordinarily, the management-level individual would conduct interviews or lead group discussions with personnel who have extensive knowledge of the Town, its environment, and its processes. The fraud risk assessment process should consider the Town's vulnerability to misappropriation of assets."*

Since fiscal 2008, the Fraud Risk Assessment has appeared as a Prior Year Open Item in the annual Management Letter. While not required for local government entities under Massachusetts statute or under GAAP (Generally Accepted Accounting Principles) or GASB (Government Accounting Standards Board), the Independent Auditors, the Town's Audit Committee and management of the Town's Finance Department concur that the Fraud Risk Assessment process is an integral part of the Town's internal control process and should be implemented. Much time has been spent reviewing other governmental and non-profit organizations' policies and assessment tools, and we are now ready to implement the process.

The first step in implementation is the adoption by both the Board of Selectmen and the School Committee of a Policy Against Fraudulent Conduct, Misappropriation and Corruption. This document forms the backbone of the internal control review process. The Policy Statement is supplemented by Procedures and Responsibilities, which expand upon the statement. These guidelines offer definitions in language readily understood by Town and School employees; a reporting procedure should a suspected fraudulent activity be discovered; and administrative and investigational responsibilities. Non-fraud irregularities, which will not be dealt with under the fraud risk assessment umbrella, are also defined in the guidelines. Disciplinary ( or corrective ) actions are also spelled out.

The roll-out of the Fraud Risk Assessment questionnaire has already begun. The Comptroller will be meeting with Town department heads and key School administrators discuss the issuance of the questionnaire to department & division heads, school principals, and all staff in both the town and school departments that process financial transactions or have control of assets or surplus equipment. Questionnaires will be completed annually and returned to the Finance Department, where they will be reviewed.

Once completed and returned to the Finance Department, a Finance Department manager (in most cases the Comptroller) will visit each respondent in a department, going through a brief interview process to flesh out or clarify responses on the annual questionnaire. At the end of the interview process for each department\division\school, a report



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will be issued to the Finance Director by the Comptroller, documenting process weaknesses and summarizing findings that require additional or different controls for each department.

The Finance Director and Comptroller will review these findings and may expand discussions with department-division-school managers and/or staff, working with the various departments to tighten their internal controls. Final summary reports will be prepared and made available to the department and to the external auditors, summarizing findings and recommendations for improvement. If requested, reports will be provided to the Board of Selectmen and School Committee. In subsequent years, steps 3 through 5 will be performed, with follow-up annually to ascertain that control deficiencies from the previous year have been adequately addressed. Given time constraints, it is not anticipated that all departments and schools will be visited and interviewed annually. However, the Fraud Risk Assessment Questionnaires will be completed and reviewed annually.

Attached you will find a final draft Policy Against Fraudulent Conduct, Misappropriation and Corruption overview for your consideration. This policy has been reviewed and approved by the Town Counsel's Office and Independent Labor Counsel, and has been adopted by the School Committee. The Town's Comptroller has held the point position during the development of the process and welcomes questions from the Board of Selectmen and School Committee concerning the policy presented herein, the accompanying guidelines, the Fraud Risk Assessment questionnaire or the review processes.

## Policy Against Fraudulent Conduct, Misappropriation and Corruption

### 1. POLICY STATEMENT

The Board of Selectmen and School Committee for the Town of Brookline adopt this policy for the Town of Brookline and the Public Schools of Brookline (together, the "Town") to protect public assets against fraudulent activity, misappropriation and corruption by Town employees, agents, elected and appointed officials, Board and Committee members, and third parties. The Town has a zero tolerance policy for such conduct and will take prompt, appropriate corrective action to address fraudulent activity, misappropriation and corruption in the event it occurs, including, but not limited to disciplining employees up to and including termination, removing appointed officials from their respective Committees, and reporting such conduct to law enforcement agencies for possible criminal investigation and prosecution, as appropriate.

This policy is intended to establish procedures to prevent whenever possible, fraud, misappropriation and corruption, for its prompt reporting and investigation, and to ensure a coordinated approach for addressing any such misconduct.. It is intended to safeguard the assets of the Town and the financial activities conducted on behalf of the Town by its employees, agents and citizens.

### 2. PROHIBITED CONDUCT

This policy prohibits the use of a Town job, position or contract for personal enrichment or the enrichment of another person through deliberate misuse or misapplication of the Town's assets, as further detailed below. "Assets," as used in this policy, means Town funds, securities, supplies, inventory, vehicles, furniture, fixtures, equipment, and anything else of value.

**Fraudulent Statements or Financial Misconduct.** The inclusion of false information within, or forgery of, Town financial statements or other documents belonging or submitted to the Town bearing on the Town's finances (*e.g.*, checks, time sheets, expense reports, contractor agreements, purchase orders, vendor invoices and supporting documentation) is prohibited.

**Asset Misappropriation.** No person or entity may misappropriate or misuse Town assets, whether by larceny (the stealing of cash or other Town property after it has been recorded in the Town's records), "skimming" (the stealing of cash of other Town property before it is recorded in the Town's records), embezzlement (the fraudulent misappropriation of Town funds for one's use), causing fraudulent disbursements (the unauthorized disbursement of Town funds, *e.g.*, for goods not received or for services not performed, through a trick or device such as false time sheets or expense reports or falsification of invoice dates), or unauthorized use or disposal of Town property (including, but not limited to, supplies, office equipment, cell phones and vehicles) in violation of existing policies pertaining to personal use or gain.

**Corruption.** This policy prohibits the wrongful use of influence a person may have by virtue of a person's job or position with the Town in order to procure a benefit for the person or another person, including, but not limited to bribery, economic extortion, the unlawful receipt of gratuities, conflicts of interest, and any other violation of the Massachusetts Ethics Law, Massachusetts General Laws Chapter 268A.

**Other Conduct Prohibited by This Policy.** This policy prohibits any activity that places Town assets at risk of waste or abuse, including, but not limited to, improprieties in the handling of funds or the reporting of financial transactions, and improprieties related to recommendations or referrals made to citizens or resident business of specific contractors (including professional service providers like attorneys, bankers or accountants), and willful destruction of Town property.

**This policy does not replace but is meant to supplement other existing policies of the Town and School.**

### 3. PROCEDURES AND RESPONSIBILITIES

#### a. **Reporting Procedure**

Any employee who believes that fraud, misappropriation, corruption, or other conduct prohibited by this policy has occurred shall promptly report any such suspected misconduct to any of the following Administrators. For the purposes of Town employees, an Administrator is a Supervisor, a Department or Division Head, the Comptroller, the Finance Director, or the Town Administrator. For purposes of School employees, an administrator is a Supervisor, a Principal, a School Administrator, the Deputy Superintendent for Finance and Administration, the Superintendent of Schools, the Comptroller or the Finance Director. The Town strongly encourages non-employees to also report such suspected misconduct to these individuals.

Supervisors, Department/Division Heads, the Comptroller, the Finance Director, the Town Administrator, principals, the Deputy Superintendent for Finance and Administration, the Superintendent of Schools and School Administrators must promptly report all suspected instances of fraud or other conduct prohibited by this policy to the Town Counsel's Office and to the Town Administrator or Superintendent of Schools. Should these senior administrators and Town Counsel deem appropriate, it shall also be reported to the Brookline Police Department.

The Town prohibits retaliation against persons who have made reports in accordance with this policy of suspected fraud, misappropriation, corruption, or other conduct prohibited by this policy.

### **b. Responsibilities**

The following individuals are responsible for establishing and maintaining proper internal controls that provide security and accountability for the assets and resources entrusted to them: within the Town, the Town Administrator, and/or his designee(s), including Supervisors and Department/Division Heads; within the School Department, the Superintendent, and/or his designee(s), including Deputy Superintendents, Assistant Superintendents, Principals, Headmaster, and all other administrators. Such individuals should be familiar with the risks and exposure inherent in their areas of responsibility and be alert for any indications of fraud, misappropriation, and other prohibited conduct. If the situation warrants immediate action – for example, obvious theft has taken place, security of assets is at risk, or immediate recovery is possible – management and non-managerial staff receiving reports should immediately contact the Police Department.

As detailed above, all employees with information about violations of this policy shall do the following:

- Insure that notification promptly reaches the Town Administrator or the Superintendent of Schools and the office of Town Counsel.
- Do not contact the suspected individual to determine facts or demand restitution. Under no circumstances should there be any reference to “what you did”, “the crime”, “the fraud”, “the forgery”, “the misappropriation”, etc.
- Administrators should consult with Town or School Human Resources departments and Town Counsel to determine whether any immediate personnel action is warranted (see section 5. Discipline, below).
- Do not discuss the case, facts, suspicions, or allegations with *anyone*, unless specifically directed to do so by the Town Administrator or the Superintendent of Schools and/or the office of Town Counsel.
- Direct to Town Counsel all inquiries from any suspected individual, his or her representative, or his or her attorney. Direct all inquiries from the media to the Town Administrator or School Superintendent's office.

Town Counsel or her or his designee shall investigate suspected violations of this Policy. In doing so, Town Counsel may seek the collaboration and/or assistance of internal or external departments, such as the Finance Director, Deputy Superintendent for Finance and Administration, Comptroller, Town and School Human Resources Departments, Police Department, and/or other federal, state, or local agencies as circumstances may warrant. Town Counsel shall have full, free and unrestricted access to all records and personnel of the Town for such purpose. All investigations will be conducted in conformity with applicable state and federal laws and regulations and School and/or Town system policies and procedures, as well as applicable contractual and collective bargaining requirements.

The Town Finance Director and/or Comptroller's Office shall, after consultation with Town Counsel, coordinate the notification of insurers and filing of claims with the Chief Procurement Officer, and, if federal funds, are involved, determine the required federal reporting requirements and take the steps necessary to comply with them.

The Treasurer shall be responsible for notifying the bonding companies and filing bonding claims.

All employees shall be vigilant to possible fraud, misappropriation and other misconduct prohibited by this policy and shall provide their full cooperation as may be necessary for the implementation of this Policy and for the effective detection, reporting, and investigation of such misconduct and, as may be appropriate, the prosecution of offenders.

All parties shall maintain the confidentiality of reports and investigations into suspected or substantiated reports of fraud, misappropriation, corruption or other conduct prohibited by this Policy, except as may be necessary to make a report under this policy, conduct an investigation, take any necessary corrective action, and respond to or conduct any legal and/or administrative proceedings related to the alleged misconduct, or as may otherwise be specified by the Superintendent of Schools, Town Administrator, Finance Director, the Controller, or Town Counsel. No employee shall

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knowingly make a false accusation, alert suspected individuals that an investigation is under way or knowingly make statements that could lead to claims of false accusation.

Every effort should be made to effect recovery of Town losses from responsible parties or through Town insurance coverage.

### **4. NON-FRAUD IRREGULARITIES**

Identification or allegations of acts outside the scope of this policy, such as personal improprieties or irregularities (whether moral, ethical, or behavioral), other safety or work-related conduct, or complaints of discrimination or sexual harassment, should be resolved by the respective area management in conjunction with Human Resources and/or with reference to any other existing Town or School policies, guidance or resources. Examples of such policies include the Policy on the Use of Information Technology Resources and the Policy Against Discrimination, Sexual Harassment and Retaliation (this list is not all-inclusive).

The Town Counsel's Office may be consulted with any questions concerning this policy.

### **5. DISCIPLINE**

The Town maintains a zero tolerance policy with respect to Fraud. Violations of this policy will result in appropriate discipline, up to and including termination. When the Town determines there is a violation of this policy, the Town will act promptly to eliminate the conduct and impose any necessary corrective action. Such corrective action may include, but is not limited to counseling, verbal or written warning, suspension, demotion, transfer, termination or removal from an appointed position. Any discipline will be taken in accordance with applicable labor contracts and bylaws as applicable. Employees found to have knowingly made false accusations or given knowingly false statements regarding this policy will be disciplined up to and including termination.

Any citizen or any vendor who has engaged in Fraud as described in this Policy, will be dealt with by the Town Administrator or Superintendent of Schools, or by the Board of Selectmen or Trustees of the School Department.

### **6. OTHER ACTIONS**

Consistent with the Town's Zero Tolerance Policy, in addition to disciplinary action, the Town shall pursue appropriate corrective action to the fullest extent under federal and state laws.



## BROOKLINE BOARD OF ASSESSORS

333 Washington Street, Brookline, MA 02445 (617) 730-2060

To: Mel Kleckner, Town Administrator  
 Date: December 1, 2011  
 From: Gary McCabe, Chief Assessor  
 Re: FY2012 Tax Classification; Additional Information for Board of Selectmen

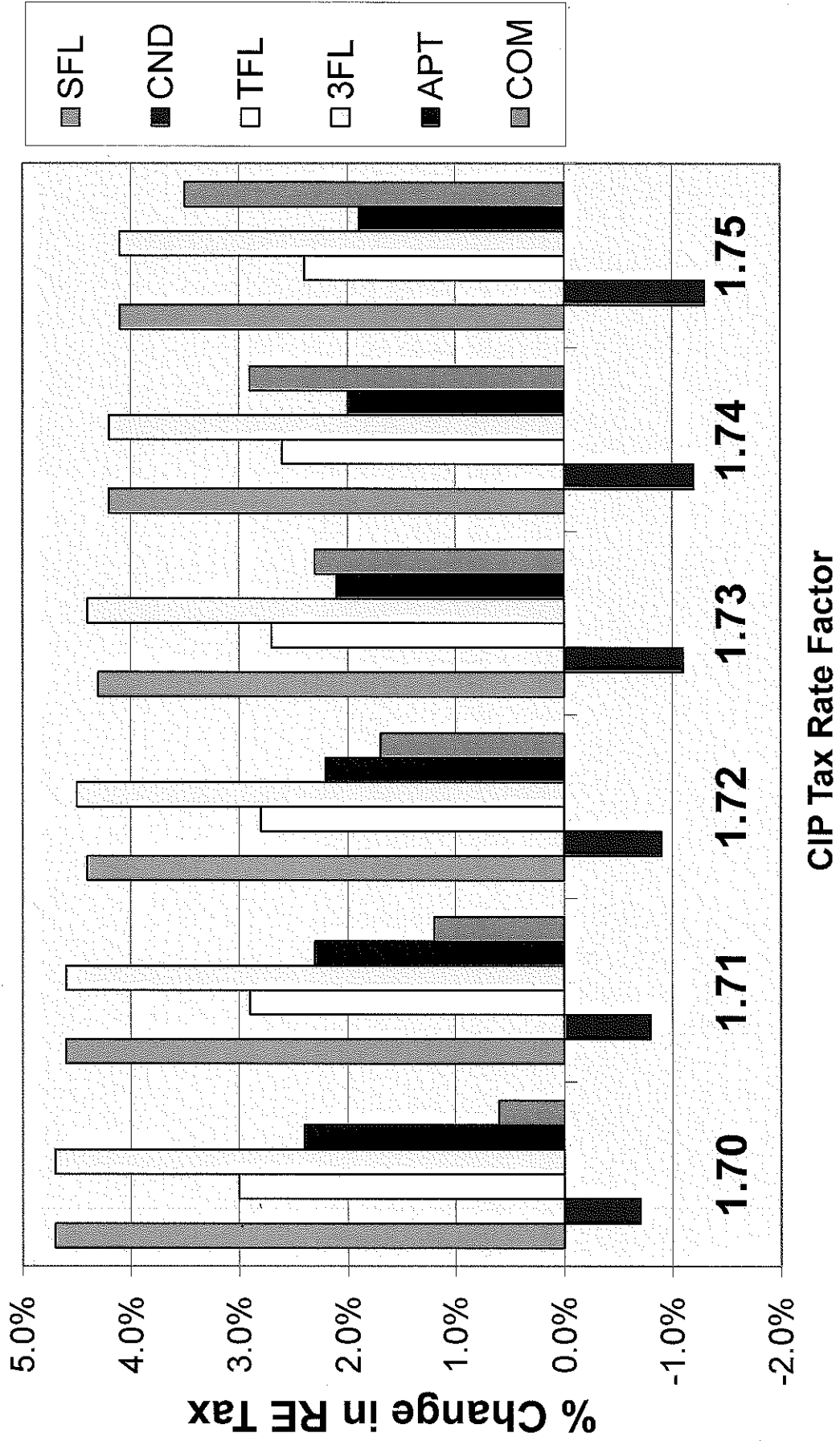
Dear Mel;

Please find enclosed some additional information requested by the Board of Selectmen at the Tax Classification Hearing held on Tuesday night (11/29/11).

- A revised version of the chart contained in slide #24 on page 12 of Tab 3 of the booklet provided to the selectmen. The graph compares the percentage change in the tax on a median value within the selected property classes at the various shift factors. The original chart was based on a tax rate calculated after the adoption of the residential exemption at 20%, but intentionally did not include the residential exemption adjustment in the median value calculation. The revised chart includes the same median values with the residential exemption adjustment for the single-family, two-family, three family and condominium classes. The apartment and commercial class median values do not include a residential exemption.
- A duplicate copy of the Tax Rate Options Worksheet provided in Tab 2, Sheet A, of the booklet. There are no changes to this worksheet, but the data used in the chart discussed above now corresponds to Worksheet A.
- A new worksheet with an expanded version of the tax rate options at various shifts, including CIP factors of 1.731 - 1.734. This worksheet also contains a calculation that indicates if a shift factor results in an actual tax levy above or below the levy limit. The selected shift and corresponding tax rates cannot produce a levy amount greater than the levy limit.
- The next two pages contain the additional assessment-sale ratio reports requested by the board. The first contains all valid two & three family sales for the 24-month period from July 1, 2009 through June 30, 2011; a total of 36 sales. The second report contains all valid multi-family, apartment & commercial property sales for the 30-month period of January 1, 2009 through June 30, 2011; at total of 29 sales. The assessed values are as of January 1, 2011 for fiscal year 2012. The 'ASR' is the ratio of assessed value to sale price. The statistics reported below the detailed sales data are the median (middle ratio) and coefficient of dispersion (COD), which measures the central tendency, or uniformity, of the ratios. The state standards require median ASR's of 90%-110%, and maximum COD's of 10% for single-family & condos, 12% for two & three families, 15% for apartments, and 20% for commercial sales.

If you have any questions about the additional materials, please give me a call. I will also be in attendance at the Board meeting next Tuesday to address any questions.

% Tax Change in Median Values FY12 w/ Res. Ex.



# TOWN OF BROOKLINE FY2012 TAX RATE OPTIONS WORKSHEET

Class	FY12 Valuation	% of Value
Residential	\$ 13,824,754,700	90.57%
Taxable	12,006,690,724	
Open Space	-	
Commercial	1,246,068,700	8.16%
Industrial	14,135,000	0.09%
Personal Prop.	179,205,020	1.17%
Total	\$ 15,264,163,420	100.00%
CIP Classes	1,439,408,720	9.43%
FY12 Projected Levy*	163,644,217	
Single Tax Rate	10.72	per \$1,000
RRw/RE & factor of 1	12.34	per \$1,000

## Levy Limit Details

FY11 Maximum Levy	\$ 156,653,254
Allowable 2.5%	3,916,331
New Growth	1,984,224
FY12 Maximum Levy	162,553,809
FY12 Debt. Exclusion	1,090,408
Total Projected Levy	\$ 163,644,217

Δ Prior  
3.7%

FY11 Actual Levy	\$ 157,878,286
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## Projected Tax Levy

	@ 1.75 Shift	Levy %
Residential	\$ 136,636,140	83.5%
Commercial	23,376,249	14.3%
Industrial	265,173	0.2%
Personal Property	3,361,886	2.1%
Total	163,639,448	100.0%
Excess Levy	\$ 4,769	

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## Potential FY12 Tax Rates at Various Shifts 1.70-1.75 (Adjusted for the Residential Exemption) MEDIAN VALUES & TAX AMOUNTS AFTER THE RESIDENTIAL EXEMPTION @ 20% (\$165,764)

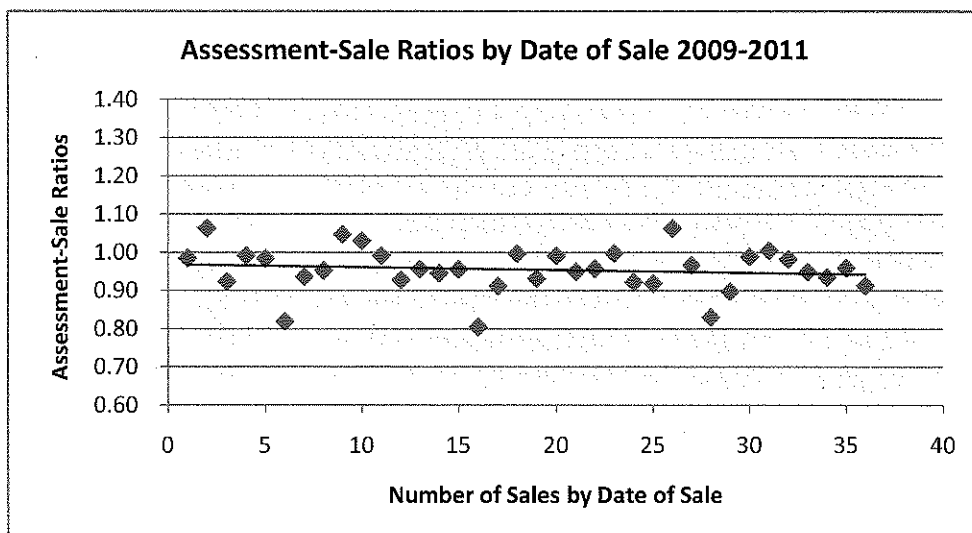
	CIP Shift	FY11	1.70	1.71	1.72	1.73	1.74	1.75
Res. Levy %		84.06%	83.97%	83.87%	83.78%	83.69%	83.59%	83.50%
Res. Tax Rate		11.30	11.44	11.43	11.42	11.41	11.39	11.38
CIP Levy %		15.94%	16.03%	16.13%	16.22%	16.31%	16.41%	16.50%
CIP Tax Rate		18.30	18.23	18.33	18.44	18.55	18.65	18.76
Levy Shift			6.60%	6.70%	6.79%	6.88%	6.98%	7.07%
FY12 Median SFL Value		893,636						
Real Estate Tax			10,227	10,216	10,204	10,193	10,181	10,170
Change over FY11		9,771	456	445	433	422	410	399
% Increase in Tax			4.7%	4.6%	4.4%	4.3%	4.2%	4.1%
FY12 Median Res. Condo		256,136						
Real Estate Tax			2,931	2,928	2,925	2,921	2,918	2,915
Change over FY11		2,953	(21)	(25)	(28)	(31)	(34)	(38)
% Increase in Tax			-0.7%	-0.8%	-0.9%	-1.1%	-1.2%	-1.3%
FY12 Median Two-Family		809,636						
Real Estate Tax			9,266	9,255	9,245	9,235	9,224	9,214
Change over FY11		8,998	268	258	248	237	227	216
% Increase in Tax			3.0%	2.9%	2.8%	2.6%	2.5%	2.4%
FY12 Median Three-Family		985,636						
Real Estate Tax			11,280	11,267	11,255	11,242	11,229	11,217
Change over FY11		10,773	507	494	481	469	456	443
% Increase in Tax			4.7%	4.6%	4.5%	4.4%	4.2%	4.1%
FY12 Median Multi-Fam./Apt.		1,694,450						
Real Estate Tax			19,392	19,370	19,349	19,327	19,305	19,283
Change over FY11		18,930	462	441	419	397	375	353
% Increase in Tax			2.4%	2.3%	2.2%	2.1%	2.0%	1.9%
FY12 Median Commercial		1,048,450						
Real Estate Tax			19,108	19,221	19,333	19,446	19,558	19,670
Change over FY11		19,002	107	219	331	444	556	669
% Increase in Tax			0.6%	1.2%	1.7%	2.3%	2.9%	3.5%

[illegible]



Parcel ID No.	Street	Use Code	Sale Date	Sale Price	FY12 Value	ASR
308-90-00	51 OAKLAND RD	104	08/14/09	975,000	961,100	0.99
276-14-00	15 HEATH ST	104	10/15/09	670,000	712,900	1.06
133-04-00	10-12 NETHERLANDS RD	104	10/21/09	780,000	720,800	0.92
223-25-00	198 RAWSON RD	104	01/06/10	1,120,000	1,111,400	0.99
301-06-00	60-62 JAMAICA RD	104	02/26/10	775,000	763,100	0.98
046-07-00	59 GREEN ST	104	03/17/10	1,450,000	1,189,300	0.82
015-03-00	14 DUMMER ST	104	03/31/10	1,134,000	1,062,300	0.94
182-06-00	118 DAVIS AVE	105	05/13/10	890,000	848,100	0.95
220-32-00	77 ADDINGTON RD	104	06/23/10	1,295,000	1,357,000	1.05
209A-10-00	34 RAWSON RD	104	07/21/10	1,410,000	1,453,700	1.03
127-15-00	163 KENT ST	104	08/02/10	625,000	620,300	0.99
085-11-00	212 WINCHESTER ST	104	08/04/10	1,145,000	1,063,300	0.93
127-07-00	247 KENT ST	104	08/13/10	1,425,000	1,364,200	0.96
227-23-00	69-71 BEACONSFIELD RD	104	08/23/10	888,000	840,600	0.95
105-05-00	157 SALISBURY RD	104	08/31/10	1,425,000	1,363,200	0.96
053-13-00	32-34 ABBOTTSFORD RD	105	09/08/10	1,450,000	1,167,900	0.81
065-09-00	147 COOLIDGE ST	104	09/17/10	1,195,000	1,090,400	0.91
269A-49-00	51 ELIOT ST	104	09/27/10	780,000	777,800	1.00
181-06-00	134 DAVIS AVE	105	10/01/10	1,255,000	1,169,500	0.93
215-21-00	1561 BEACON ST	105	10/20/10	1,780,000	1,764,100	0.99
212-30-00	118 GRIGGS RD	104	11/19/10	1,103,000	1,048,000	0.95
274-07-00	12 WHITE AVE	105	01/24/11	932,500	893,000	0.96
073-17-00	26 KENWOOD ST	104	02/03/11	960,000	958,500	1.00
063-01-00	106 NAPLES RD	105	02/28/11	1,150,000	1,061,300	0.92
181-02-03	98 CYPRESS ST	105	02/28/11	1,600,001	1,470,700	0.92
085-12-00	206-208 WINCHESTER ST	104	03/09/11	1,050,000	1,116,600	1.06
035-37-00	92 PLEASANT ST	105	03/15/11	1,400,000	1,353,800	0.97
316-06-01	117 FRANKLIN ST	104	04/08/11	850,000	705,900	0.83
043-06-00	184 ST PAUL ST	105	04/14/11	1,720,000	1,545,600	0.90
182-01-02	5 ELM ST	105	05/04/11	950,000	939,600	0.99
145-07-00	16 BOWKER ST	104	05/31/11	768,000	772,700	1.01
271-06-00	55 ELIOT CRES	104	05/31/11	785,000	771,600	0.98
084-20-00	110 WINCHESTER ST	104	06/09/11	1,075,000	1,020,500	0.95
051-29-00	96 BEALS ST	104	06/16/11	1,075,000	1,005,300	0.94
069-13-00	116 THORNDIKE ST	104	06/20/11	1,050,000	1,008,200	0.96
129-11-00	20 FRANCIS ST	105	06/30/11	1,825,000	1,667,000	0.91

0.96 < Median  
4.45% < COD

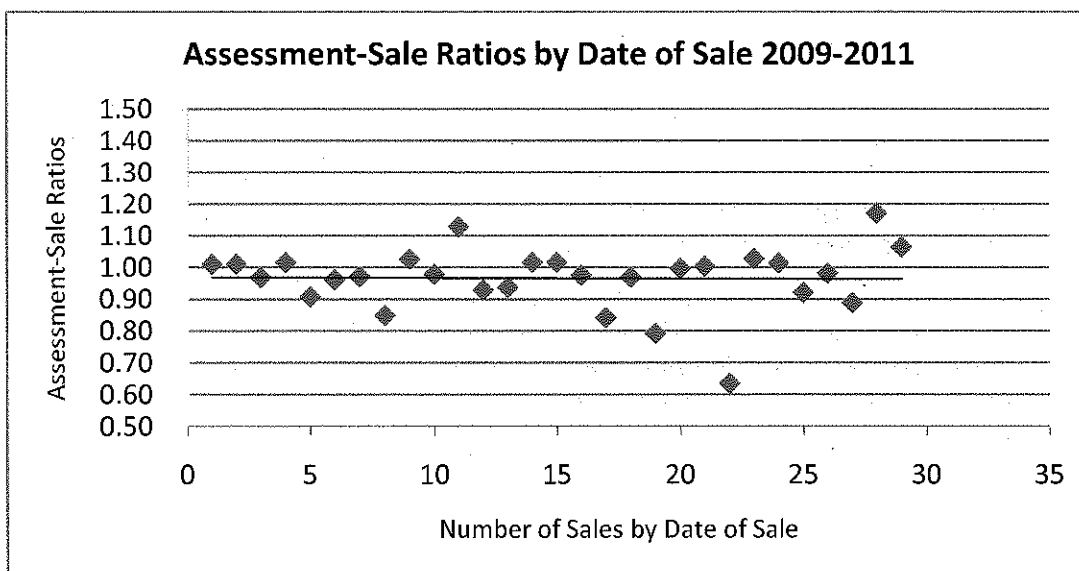


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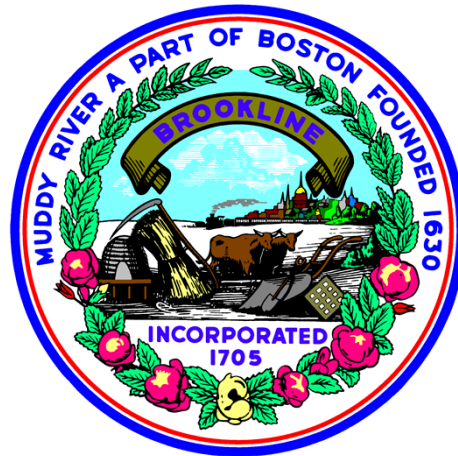
## Town of Brookline Apartments & Commercial Property Sales, 2009-2011

Parcel ID	No.	Street	Use Code	Comm. NBHD	Sale Date	Sale Price	FY12 Value	ASR
017-05-00	163-179	AMORY ST	340	BUC	01/12/09	3,800,000	3,843,600	1.01
143-01-00	1	BROOK ST	111	BV	07/15/09	970,000	981,400	1.01
094-04-02	797	WASHINGTON ST	111	WSQ	07/23/09	1,380,000	1,337,800	0.97
234-10-00	1803	BEACON ST	111	CLC	07/30/09	1,325,000	1,347,100	1.02
165-10-00	105	MARION ST	121	CC	09/25/09	1,235,000	1,121,800	0.91
236-01-00	2	STRATHMORE RD	111	CLC	09/25/09	1,785,000	1,717,400	0.96
083-09-14	1372	BEACON ST Unit R3	329	CC	10/15/09	476,000	462,700	0.97
024-01-00	175	FREEMAN ST	112	BUC	10/29/09	129,500,000	110,018,700	0.85
073-01-00	496	HARVARD ST	340	JFK	12/15/09	1,050,000	1,078,300	1.03
110-01-17	1842	BEACON ST Unit 306	345	CLC	01/29/10	406,479	398,100	0.98
112-06-10	1051	BEACON ST Unit 11	345	STM	02/01/10	52,500	59,300	1.13
287-14-71	77	POND AVE	345	BV	03/26/10	850,000	790,600	0.93
140-11-01	7	KENT ST. Unit 2	345	BV	04/20/10	260,000	243,800	0.94
110-01-04	1842	BEACON ST Unit 201	345	CLC	05/26/10	425,468	432,500	1.02
110-01-05	1842	BEACON ST Unit 202	345	CLC	05/26/10	700,208	711,700	1.02
110-01-23	1842	BEACON ST Unit 405	345	CLC	06/30/10	594,825	580,600	0.98
141-07-00	39	HARVARD ST	325	BV	07/07/10	1,250,000	1,053,300	0.84
110-01-08	1842	BEACON ST Unit 206	345	CLC	08/30/10	595,920	578,500	0.97
427-02-00	1216	BOYLSTON ST	325	CH	09/08/10	1,195,000	947,300	0.79
237-07-00	1897	BEACON ST	111	CLC	12/01/10	1,582,500	1,578,400	1.00
110-01-11	1842	BEACON ST Unit 300	345	CLC	12/09/10	204,510	205,500	1.00
102-18-00	1748	BEACON ST	112	CLC	12/27/10	2,125,000	1,351,200	0.64
110-01-18	1842	BEACON ST Unit 401	345	CLC	01/10/11	745,000	766,600	1.03
047A-15-01	14	GREEN ST.	340	CC	02/14/11	2,200,000	2,233,300	1.02
112-06-01	1051	BEACON ST Unit 2	345	STM	05/11/11	489,000	450,700	0.92
110-01-22	1842	BEACON ST Unit 404	345	CLC	05/21/11	552,175	542,600	0.98
001-26-00	15-17	ST MARY'S CT	340	STM	06/01/11	950,000	845,300	0.89
042-09-01	1180	BEACON ST	345	CC	06/23/11	180,000	210,900	1.17
185-06-00	43-45	BOYLSTON ST	340	BV	06/30/11	631,000	671,900	1.06

Median > 0.98  
COD > 7.2%



# TOWN OF BROOKLINE FY13 – FY18 PRELIMINARY CAPITAL IMPROVEMENT PROGRAM



December 6, 2011

# [ CAPITAL IMPROVEMENT PROGRAM ]

- “Capital planning and budgeting is central to economic development, transportation, communication, delivery of other essential services, and environmental management and quality of life. Much of what is accomplished by local govt’s depends on a sound long-term investment in infrastructure and equipment.” – from ICMA’s *Capital Budgeting: A Guide for Local Governments*

# HEADLINES

- Balanced \$152.7M Six-Year CIP (FY13 – FY18) conforms with the new Free Cash and CIP Policies adopted by the Board in May, 2011.
- Overcrowding in the elementary schools and eventually at the High School continues to drive the CIP.
- Devotion School places great pressure on the CIP in FY17-FY18 at the assumed \$76.9M level, of which \$46.1M (60%) is the Town's share.
- Continues to invest in the Town's infrastructure and in IT.
- Continues to upgrade Fire apparatus and stations.
- Includes funding for Town/School roofs, masonry repairs, elevators, and generators.
- Village Square project is 100% funded from outside sources.
- Continues to fund energy conservation efforts.
- Final component of landfill project (capping rear landfill) funded in FY15.
- Funds 12 park/playground rehabilitation projects, including the Fisher Hill Reservoir project, which is funded from the sale of the Town-owned site.
- Deferral/reduction/elimination of 10 projects totaling \$1.2M in FY13 allows for the funding of new demands.
- Eliminated one and reduced two annual accounts to reflect the operating nature of some of those expenditures.

# MAJOR PROJECTS

- Devotion School Rehab - \$46.1M of Town funding + possibility of \$30.8M of State funding (FY14-FY15)
- Newton St. Landfill (Rear Landfill Closure) - \$4.6M (FY15)
- Village Square - \$4.5M (FY14) - - all outside funding
- Fire Station Renovations - \$3.3M (all years)
- Fisher Hill Reservoir Re-Use - \$3.25M (FY13) - - all outside funding
- Waldstein Playground & Warren Field - \$2.3M (FY13)
- Driscoll School HVAC - \$2.2M (FY16-FY17)
- Baldwin School - \$2M (FY14-FY16)
- UAB - \$1.3M (FY13)
- Brookline Reservoir Park - \$1.4M (FY16)
- Classroom Capacity – \$1.25M (FY13)
- Municipal Service Center Floor / Space – \$1.1M (FY13-FY14)

## CONTINUED MAJOR INVESTMENT

- Street & Sidewalk Rehab - \$17.2M
- Parks & Open Space - \$16.1M
- General Town/School Bldg. Projects - \$6.8M
- Water & Sewer Infrastructure - \$3.6M
- Fire Apparatus - \$3.4M
- Information Technology - \$1.6M
- Rec Facilities - \$1.1M
- Tree Replacement - \$1.1M
- Energy Conservation - \$1M

# [REVISED CIP POLICIES]

## ■ Old

- 5.5% of prior yr Net Rev
- 2008 Override
- \$50K Parking Meter \$

- Free Cash

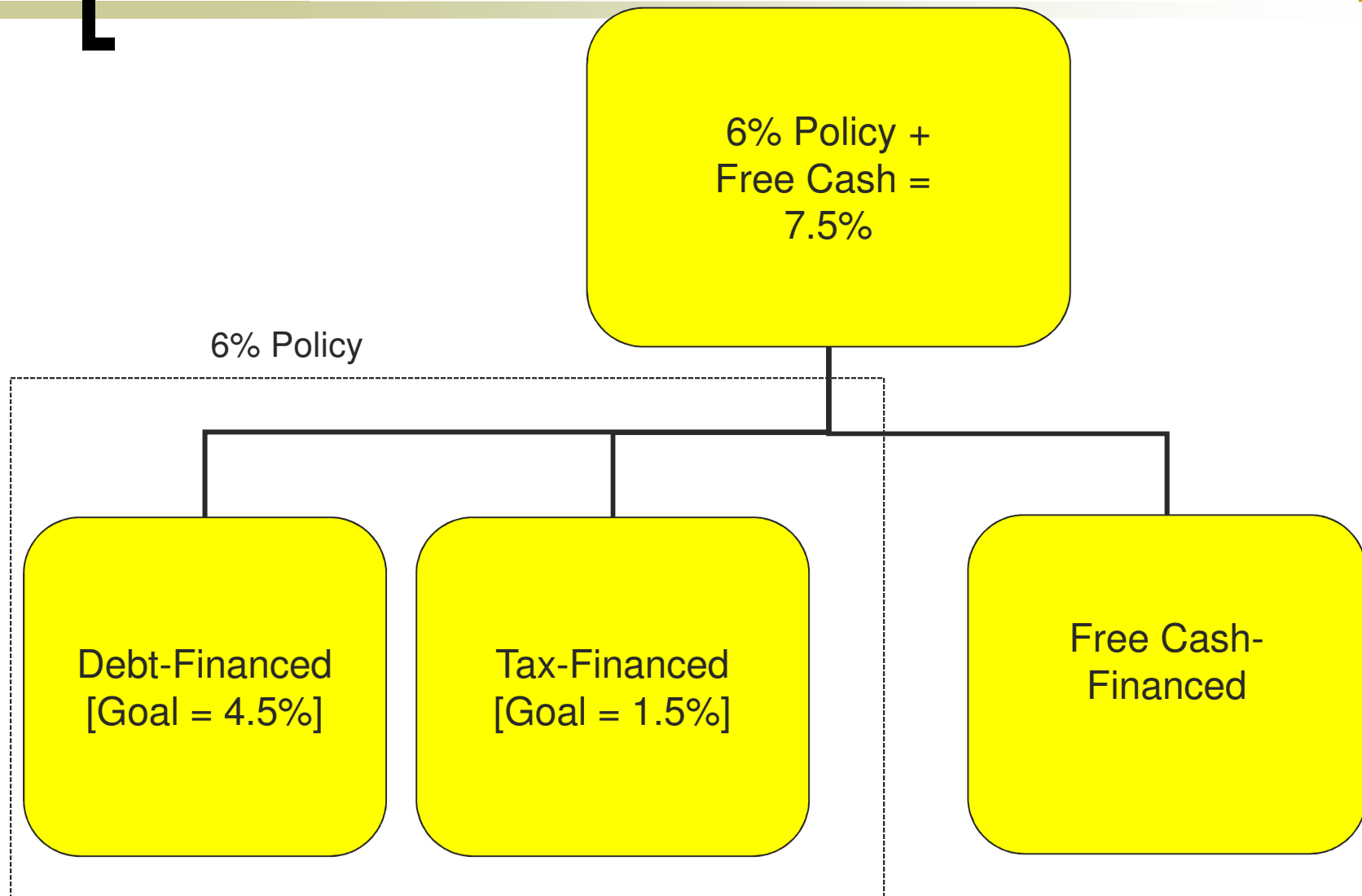
## ■ New

- 6% of prior yr Net Rev

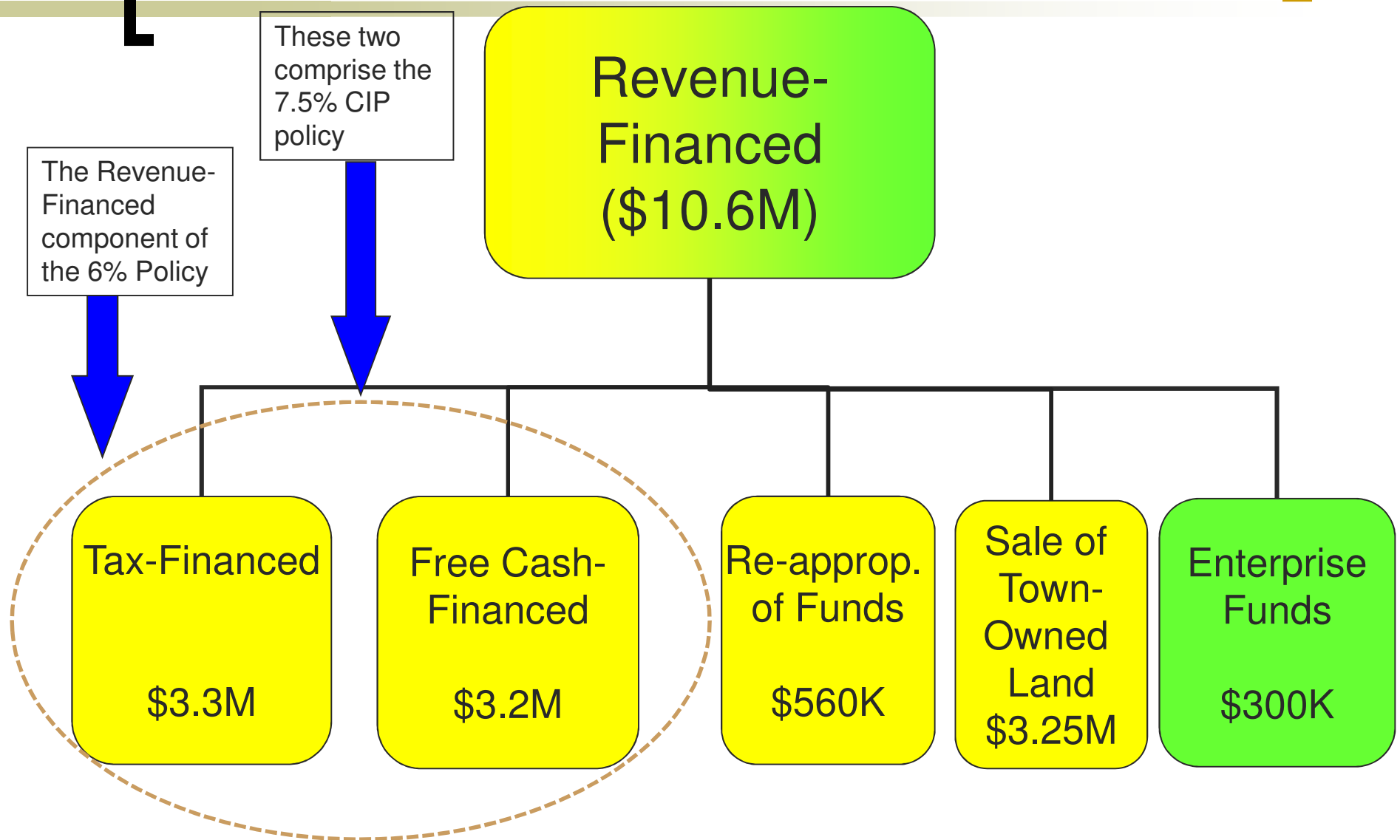
- Free Cash to get to 7.5% of prior yr Net Rev



# FUNDING POLICIES

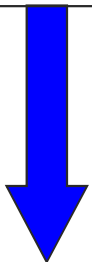


# REVENUE-FINANCED PORTION



# DEBT-FINANCED PORTION

The Debt-Financed component of the 6% Policy



Debt Service

\$12.6M

General Fund,  
Non-Debt Exclusion

\$8.4M

General Fund,  
Debt Exclusion

\$1.6M

Enterprise Funds

\$2.6M

# CIP FINANCING – FREE CASH

- The FY13-FY18 CIP follows the Town's revised Free Cash Policy:
  1. Appropriated Budget Reserve – ¼ of the annual reserve fund
  2. Unreserved Fund Balance / Stabilization – maintain at minimum of 10% of rev
  3. Liability / Catastrophe Fund – maintain at 1% of net revenue
  4. CIP – bring CIP funding up to 7.5% from the 6% CIP Policy
  5. Affordable Housing Trust Fund – deposit if the fund balance is less than \$5M
  6. Special Use – augment trust funds related to fringe benefits, unfunded liabilities related to employee benefits, and other one-time uses, including additional funding for the CIP and AHTF

Certification (est.)	\$6,176,813
1. Operating Budget Reserve	\$486,736
2. Liability Reserve	\$253,669
3. Unreserved Fund Balance/Stabilization Fund	\$1,750,000
4. Capital Improvements	\$2,920,254
<u>5. Affordable Housing Trust Fund</u>	<u>\$377,423</u>
Sub-Total	\$5,788,083

Amt available for Special Use (#6)	\$388,730
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## USE:

Additional CIP	\$277,474
OPEB's	\$111,256

# MULTI-YEAR CIP FUNDING SUMMARY (Gen Fund)

7.5%  
Policy

	2013	2014	2015	2016	2017	2018
6% Policy	11,681,838	12,003,529	12,381,849	12,841,939	13,293,072	13,684,004
Net-Debt *	8,356,066	8,678,649	8,375,919	8,846,684	10,754,860	12,316,322
% of Prior Yr Net Rev	4.29%	4.34%	4.06%	4.13%	4.85%	5.40%
Pay-as-you-Go	3,325,771	3,324,879	4,005,929	3,995,255	2,538,212	1,367,682
% of Prior Yr Net Rev	1.71%	1.66%	1.94%	1.87%	1.15%	0.60%
Free Cash	3,197,729	3,003,534	3,098,193	3,213,297	3,326,164	3,423,982
Re-Approp.	560,000	0	0	0	0	0
Sale of Town Land	3,250,000	0	0	0	0	0
<b>TOTAL</b>	<b>18,689,566</b>	<b>15,007,062</b>	<b>15,480,041</b>	<b>16,055,235</b>	<b>16,619,236</b>	<b>17,107,986</b>

CIP as a % of Prior Yr Net Rev	9.6%	7.5%	7.5%	7.5%	7.5%	7.5%
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\* Defined as General Fund debt less debt supported by a debt exclusion.

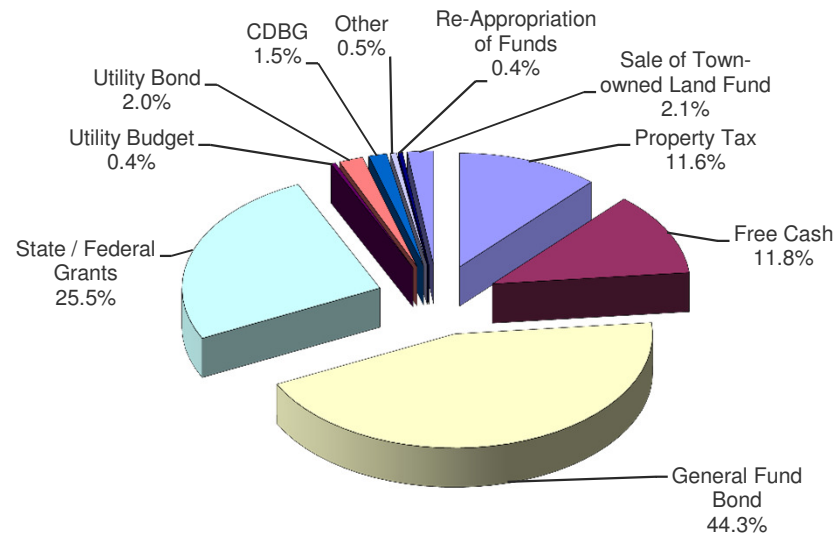
# ADDITIONAL REVENUE SOURCES

- CDBG Funds – \$2.25M is used, including utilizing the Section 108 Loan Guarantee Program.
- State / Federal Grants – \$38.9M is anticipated, including the assumption that MSBA funds cover 40% of the Devotion School project, a \$150M statewide Ch. 90 program annually, and the Village Sq project is awarded \$1.5M from the State TIP.
- Proposed Private Development – \$4.2M total, with \$3.25M for Fisher Hill Reservoir Re-Use (FY13) and \$750K from 2 Brookline PI for the Village Square project (FY13).
- Re-Appropriation of Existing Funds – \$560K in FY13 from balances in a Landfill account and Heath Feasibility account (MSBA remib.)

# FINANCING SUMMARY

## GRAND TOTAL BY SOURCE (in thousands)

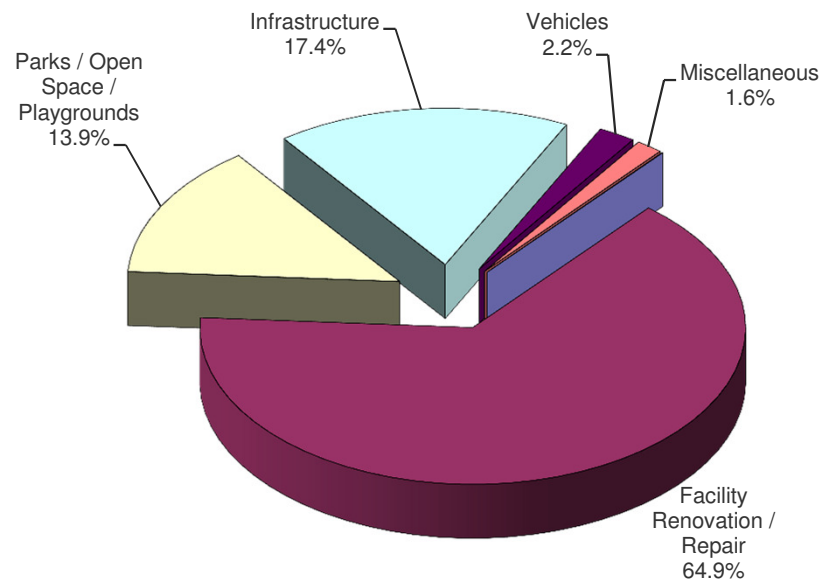
	FY13	FY14	FY15	FY16	FY17	FY18	TOTAL	% OF TOTAL
Property Tax	3,325.8	3,114.1	3,654.9	3,914.0	2,415.7	1,291.4	17,715.9	11.6%
Free Cash	3,197.7	3,008.9	2,990.1	2,958.0	2,943.3	2,935.6	18,033.6	11.8%
General Fund Bond	3,450.0	2,730.0	51,000.0	4,325.0	3,250.0	2,950.0	67,705.0	44.3%
State / Federal Grants	944.6	3,194.6	31,544.6	1,344.6	944.6	944.6	38,917.8	25.5%
Utility Budget	300.0	260.0	0.0	0.0	0.0	0.0	560.0	0.4%
Utility Bond	0.0	0.0	0.0	3,000.0	0.0	0.0	3,000.0	2.0%
CDBG	0.0	2,250.0	0.0	0.0	0.0	0.0	2,250.0	1.5%
Other	0.0	750.0	0.0	0.0	0.0	0.0	750.0	0.5%
Re-Appropriation of Funds	560.0	0.0	0.0	0.0	0.0	0.0	560.0	0.4%
Sale of Town-owned Land Fund	3,250.0	0.0	0.0	0.0	0.0	0.0	3,250.0	2.1%
<b>TOTAL</b>	<b>15,028.1</b>	<b>15,307.6</b>	<b>89,189.6</b>	<b>15,541.6</b>	<b>9,553.6</b>	<b>8,121.6</b>	<b>152,742.3</b>	<b>100%</b>



# CATEGORY SUMMARY

## GRAND TOTAL BY CATEGORY (in thousands)

	FY13	FY14	FY15	FY16	FY17	FY18	TOTAL	% OF TOTAL
New Facility Construction	0.0	55.0	0.0	0.0	0.0	0.0	55.0	0.0%
Facility Renovation / Repair	5,457.5	5,855.0	76,765.0	5,850.0	4,260.0	900.0	99,087.5	64.9%
Parks / Open Space / Playgrounds	5,930.0	960.0	6,795.0	3,020.0	745.0	3,770.0	21,220.0	13.9%
Infrastructure	3,290.6	7,667.6	3,484.6	6,171.6	2,978.6	3,026.6	26,619.8	17.4%
Vehicles	50.0	465.0	1,400.0	185.0	1,250.0	0.0	3,350.0	2.2%
Miscellaneous	300.0	305.0	745.0	315.0	320.0	425.0	2,410.0	1.6%
<b>TOTAL</b>	<b>15,028.1</b>	<b>15,307.6</b>	<b>89,189.6</b>	<b>15,541.6</b>	<b>9,553.6</b>	<b>8,121.6</b>	<b>152,742.3</b>	<b>100%</b>





# DEBT MANAGEMENT PLAN

## General Fund

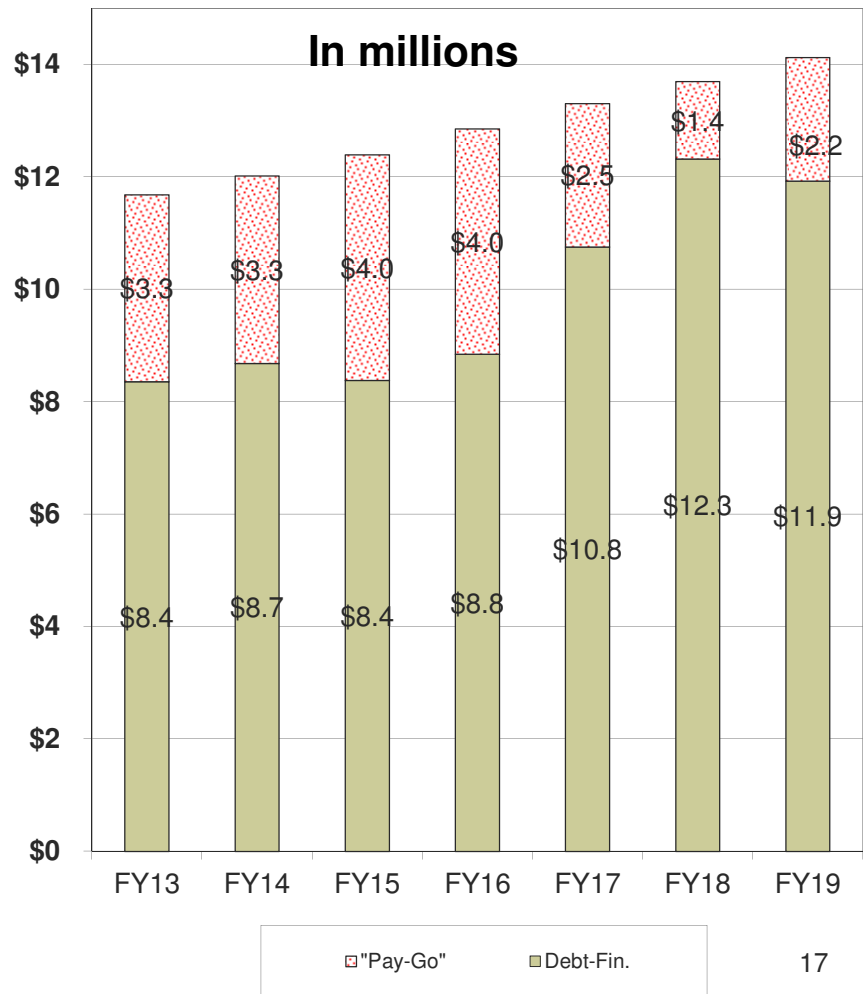
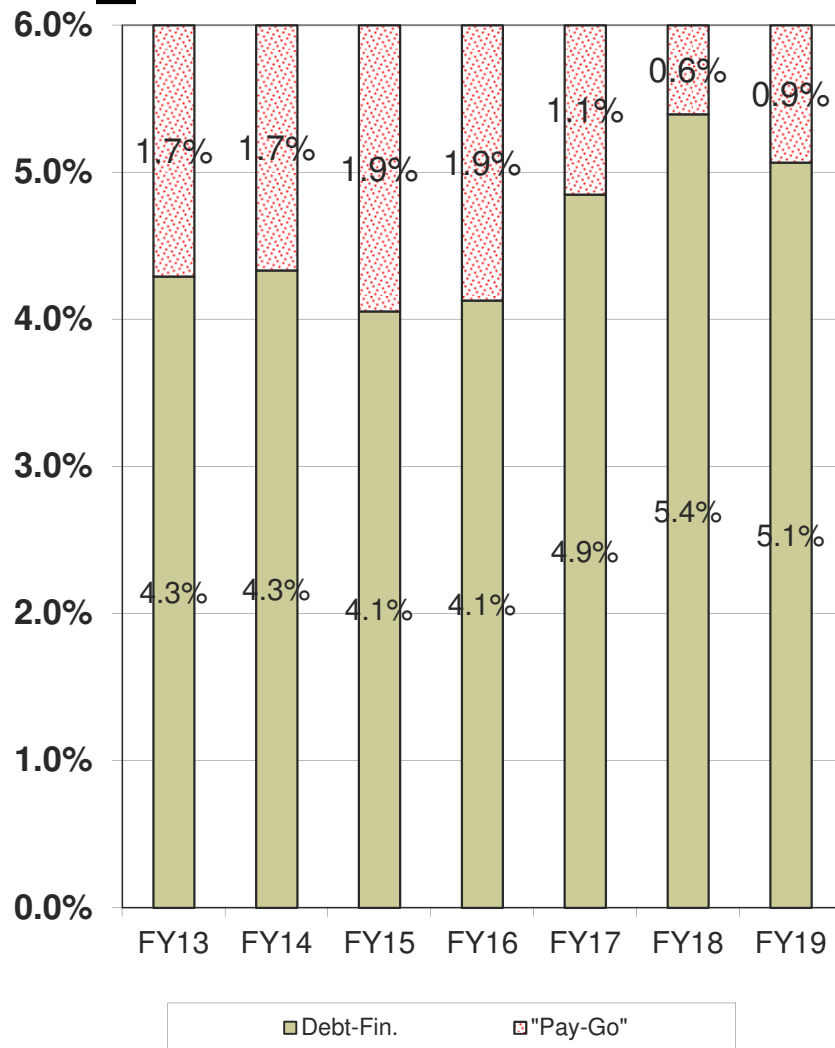
<u>Project</u>	<u>Authorization</u>	<u>Bond Amt</u>	<u>Term</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
TH/Main Library Garages (previously authorized)	950,000	950,000	10	133,000	129,200	125,400	121,600	117,800	114,000	110,200
Heath School Addition (previously authorized)	5,240,000	5,240,000	20	484,700	473,565	462,430	451,295	440,160	429,025	417,890
Runkle School - Constr. (previously authorized)	17,580,000	5,330,000	20	479,700	469,040	458,380	447,720	437,060	426,400	415,740
Runkle School - Constr. (previously authorized)	17,580,000	1,000,000	10		142,500	138,250	134,000	129,750	125,500	121,250
Carlton St. Foothbridge (previously authorized)	1,400,000	1,400,000	10		196,000	190,400	184,800	179,200	173,600	168,000
UAB Roof/Chimney/Gutters & Downspouts (future authorization)	1,300,000	1,300,000	10		185,250	179,725	174,200	168,675	163,150	157,625
Waldstein Playground + Warren Field (future authorization)	2,150,000	2,150,000	10		306,375	297,238	288,100	278,963	269,825	260,688
Muddy River (previously authorized)	745,000	745,000	10			104,300	101,320	98,340	95,360	92,380
Devotion School - Feas. & Sch. Des. (future authorization)	1,130,000	1,218,750	10			161,025	156,223	151,420	146,618	141,815
Roof Repairs / Replacements (future authorization)	1,600,000	1,600,000	10			228,000	221,200	214,400	207,600	200,800
Devotion School - Design (future authorization)	45,000,000	5,000,000	20				487,500	475,625	463,750	451,875
Ladder #2 (future authorization)	1,200,000	1,200,000	10				171,000	165,900	160,800	155,700
Rear Landfill (future authorization)	4,600,000	4,600,000	20				448,500	437,575	426,650	415,725
Baldwin School (future authorization)	1,780,000	1,780,000	10					256,500	248,850	241,200
Devotion School - Constr. (future authorization)	48,750,000	21,875,000	25					1,850,000	1,808,000	1,766,000
Brookline Reservoir Park (future authorization)	1,400,000	1,400,000	10					199,500	193,550	187,600
Roof Repairs / Replacements (future authorization)	1,125,000	525,000	10					74,813	72,581	70,350
Roof Repairs / Replacements (future authorization)	1,125,000	175,000	10						24,938	24,194
Driscoll School HVAC (future authorization)	1,500,000	1,500,000	10						213,750	207,375
Devotion School - Constr. (future authorization)	48,750,000	20,000,000	25						1,850,000	1,808,000
Engine #4 (Quint) (future authorization)	1,400,000	1,400,000	10						199,500	193,550
Roof Repairs / Replacements (future authorization)	1,125,000	425,000	10							60,563
Emerson Garden/Harry Downes (future authorization)	1,350,000	1,350,000	10							192,375
<b>NEW GEN FUND DEBT SERVICE (cumulative)</b>				<b>1,097,400</b>	<b>1,901,930</b>	<b>2,345,148</b>	<b>3,387,458</b>	<b>5,675,680</b>	<b>7,813,446</b>	<b>7,860,894</b>

# DEBT MANAGEMENT PLAN

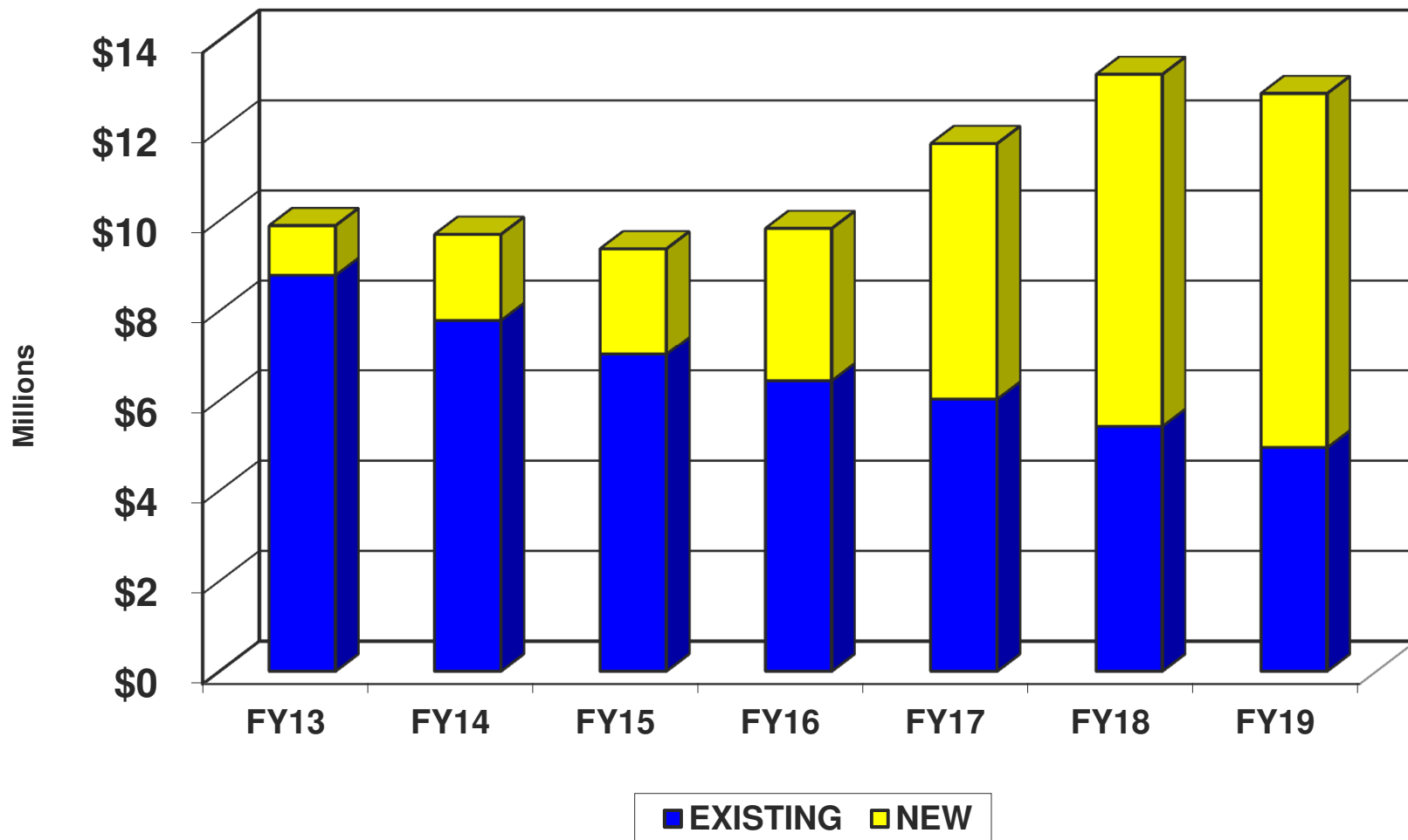
## Enterprise Funds

<u>Project</u>	<u>Authorization</u>	<u>Bond Amt</u>	<u>Term</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Wastewater (previously authorized) - Interest Free MWRA Loan	5,500,000	210,000	5	42,000	42,000	42,000	42,000	42,000		
Wastewater (previously authorized)	5,500,000	1,000,000	10		142,500	138,250	134,000	129,750	125,500	121,250
Wastewater (previously authorized)	5,500,000	1,000,000	10			142,500	138,250	134,000	129,750	125,500
Wastewater (previously authorized)	5,500,000	914,065	10				130,254	126,369	122,485	118,600
Wastewater (future authorization)	3,000,000	1,500,000	10					213,750	207,375	201,000
Wastewater (future authorization)	3,000,000	1,500,000	10							213,750
Water Main Improvements (previously authorized)	1,000,000	500,000	10	70,000	68,000	66,000	64,000	62,000	60,000	58,000
Water Main Improvements (previously authorized)	1,000,000	500,000	10		71,250	69,125	67,000	64,875	62,750	60,625
Storm Drain Improvements (previously authorized)	500,000	500,000	10	70,000	68,000	66,000	64,000	62,000	60,000	58,000
Golf Course (previously authorized)	2,840,000	125,000	20	11,875	11,594	11,313	11,031	10,750	10,469	10,469
Golf Course (previously authorized)	2,840,000	225,000	20			21,375	20,869	20,363	19,856	19,350
Golf Course (previously authorized)	2,840,000	590,000	20						56,050	54,723
<b>NEW ENTERPRISE FUND DEBT SERVICE (cumulative)</b>				<b>193,875</b>	<b>403,344</b>	<b>556,563</b>	<b>671,404</b>	<b>865,857</b>	<b>854,235</b>	<b>1,041,267</b>

# 6% POLICY – DEBT-FINANCED vs “PAY-AS-YOU-GO”



# DEBT SERVICE – GENERAL FUND



# DEBT SERVICE – BREAKDOWN

## DEBT SERVICE (PROJECTED)

DESCRIPTION	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Total General Fund Supported Debt Service	9,986,874	9,791,449	9,470,319	9,922,684	11,803,260	13,337,122	12,913,066
a.) Exempt (Debt Exclusion) <sup>1</sup>	1,630,808	1,112,800	1,094,400	1,076,000	1,048,400	1,020,800	988,200
b.) Non-Exempt	8,356,066	8,678,649	8,375,919	8,846,684	10,754,860	12,316,322	11,924,866
Minus State (SBA) Reimbursed Debt <sup>2</sup>	587,125	587,125	587,125	587,125	587,125	587,125	587,125
Net General Fund Debt Service	9,399,749	9,204,324	8,883,194	9,335,559	11,216,135	12,749,997	12,325,941
Water & Sewer Enterprise Fund Supported Debt Svc.	2,684,946	2,750,539	2,259,261	2,315,539	2,191,035	1,793,950	1,660,956
Golf Course Enterprise Fund Supported Debt Svc.	192,419	181,831	177,725	167,019	161,856	142,544	123,910
Enterprise Fund Debt Service	2,877,365	2,932,371	2,436,986	2,482,558	2,352,892	1,936,494	1,784,866
TOTAL Debt Service	12,864,239	12,723,820	11,907,305	12,405,242	14,156,152	15,273,616	14,697,932

<sup>1</sup> The Lincoln School and High School projects were financed via a Debt Exclusion.

<sup>2</sup> The following school projects are being reimbursed by the State: Lincoln, Heath, and Baker.

# DEBT SERVICE – AS A % OF REVENUE

DESCRIPTION	FY10 (Act.)	FY11 (Act.)	FY12 (Proj.)	FY13 (Proj.)	FY14 (Proj.)	FY15 (Proj.)	FY16 (Proj.)	FY17 (Proj.)	FY18 (Proj.)	FY19 (Proj.)
General Fund Debt Service as a % of General Fund Revenue	5.9%	4.7%	5.0%	4.6%	4.5%	4.2%	4.2%	4.9%	5.4%	5.0%
Net General Fund Debt Service as a % of General Fund Revenue <sup>2</sup>	4.3%	4.1%	4.4%	4.3%	4.2%	3.9%	4.0%	4.7%	5.1%	4.8%
Water & Sewer Enterprise Fund Debt Service as a % of Revenue	10.5%	10.3%	9.5%	10.2%	10.1%	8.2%	8.1%	7.4%	5.9%	5.2%
Golf Course Enterprise Fund Debt Service as a % of Revenue	16.3%	17.0%	15.4%	15.9%	14.9%	14.5%	13.5%	12.9%	11.3%	9.7%
<b>TOTAL Debt Service as a % of Total Rev. Supporting Debt Svc.</b>	<b>6.4%</b>	<b>5.3%</b>	<b>5.5%</b>	<b>5.2%</b>	<b>5.1%</b>	<b>4.7%</b>	<b>4.7%</b>	<b>5.2%</b>	<b>5.4%</b>	<b>5.1%</b>

<sup>1</sup> The Lincoln School and High School projects were financed via a Debt Exclusion.

<sup>2</sup> Excludes both the debt service (expense) reimbursed by the State for school projects and the reimbursement from the State (revenue).

# CIP/DEBT MANAGEMENT POLICIES

VARIABLE	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Legal Limit for Outstanding Debt = 5% of Equalized Valuation (EQV)							
EQV for 1/1/10 = \$15.985 billion. Assume 2.5% annual growth. (In millions)	\$16,384.9	\$16,794.6	\$17,214.4	\$17,644.8	\$18,085.9	\$18,538.0	\$19,001.5
Outstanding Debt as a % of EQV	0.5%	0.5%	0.4%	0.4%	0.5%	0.6%	0.5%
General Fund Outstanding Debt as a % of EQV	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%	0.5%
Net General Fund Outstanding Debt as a % of EQV	0.3%	0.3%	0.3%	0.3%	0.4%	0.5%	0.5%
Total Outstanding Debt (in millions)	\$78.6	\$77.5	\$71.7	\$74.4	\$91.0	\$105.6	\$96.5
General Fund Outstanding Debt (in millions)	\$66.2	\$65.8	\$60.9	\$64.7	\$81.2	\$97.8	\$88.8
Net General Fund Outstanding Debt (in millions)	\$56.9	\$57.9	\$54.4	\$59.2	\$76.6	\$94.1	\$86.1
Total Debt Service (in millions)	\$12.7	\$12.6	\$12.5	\$11.9	\$12.4	\$14.2	\$15.3
General Fund Debt Service (in millions)	\$10.2	\$9.9	\$9.7	\$9.4	\$9.8	\$11.7	\$13.2
Net General Fund Debt Service (in millions)	\$7.5	\$8.5	\$8.3	\$8.6	\$8.3	\$8.7	\$10.7
Total Debt Service Per Capita	\$216	\$215	\$213	\$203	\$212	\$241	\$260
General Fund Debt Service Per Capita	\$173	\$168	\$165	\$160	\$167	\$199	\$225
Net General Fund Debt Service Per Capita	\$128	\$144	\$141	\$146	\$141	\$149	\$181
Total Debt Service as a % of Revenue	5.4%	5.2%	5.1%	4.6%	4.7%	5.2%	5.4%
General Fund Debt Service as a % of General Fund Revenue	4.9%	4.5%	4.4%	4.1%	4.2%	4.8%	5.3%
Net General Fund Debt Service as a % of General Fund Revenue	4.3%	4.3%	4.2%	3.9%	3.9%	4.6%	5.1%
A. Total Outstanding Debt Per Capita as a % of Per Capita Income	2.0%	1.9%	1.7%	1.7%	2.1%	2.4%	2.1%
General Fund Outstanding Debt Per Capita as a % of Per Capita Income	1.7%	1.6%	1.5%	1.5%	1.9%	2.2%	1.9%
Net General Fund Outstanding Debt Per Capita as a % of Per Capita Income	1.4%	1.4%	1.3%	1.4%	1.8%	2.1%	1.9%
B. Total Outstanding Debt Per Capita	\$1,338	\$1,320	\$1,220	\$1,267	\$1,549	\$1,797	\$1,643
General Fund Outstanding Debt Per Capita	\$1,127	\$1,120	\$1,036	\$1,101	\$1,383	\$1,665	\$1,513
Net General Fund Outstanding Debt Per Capita	\$969	\$986	\$927	\$1,008	\$1,305	\$1,603	\$1,466
C. Total Outstanding Debt as a % of Assessed Value (AV)	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%	0.6%
General Fund Outstanding Debt as a % of Assessed Value (AV)	0.4%	0.4%	0.4%	0.4%	0.5%	0.6%	0.5%
Net General Fund Outstanding Debt as a % of Assessed Value (AV)	0.3%	0.3%	0.3%	0.3%	0.4%	0.5%	0.5%
D. Total Debt Maturing Within 10 Years	80%	82%	84%	84%	77%	72%	73%
General Fund Debt Maturing Within 10 Years	76%	79%	82%	82%	75%	70%	71%
E. CIP Financing as a % of Prior Year's Net Revenue	5.50%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Debt-Financed CIP as a % of Prior Year's Net Revenue	4.59%	4.29%	4.34%	4.06%	4.13%	4.85%	5.40%
Revenue-Financed CIP as a % of Prior Year's Net Revenue	0.91%	1.71%	1.66%	1.94%	1.87%	1.15%	0.60%

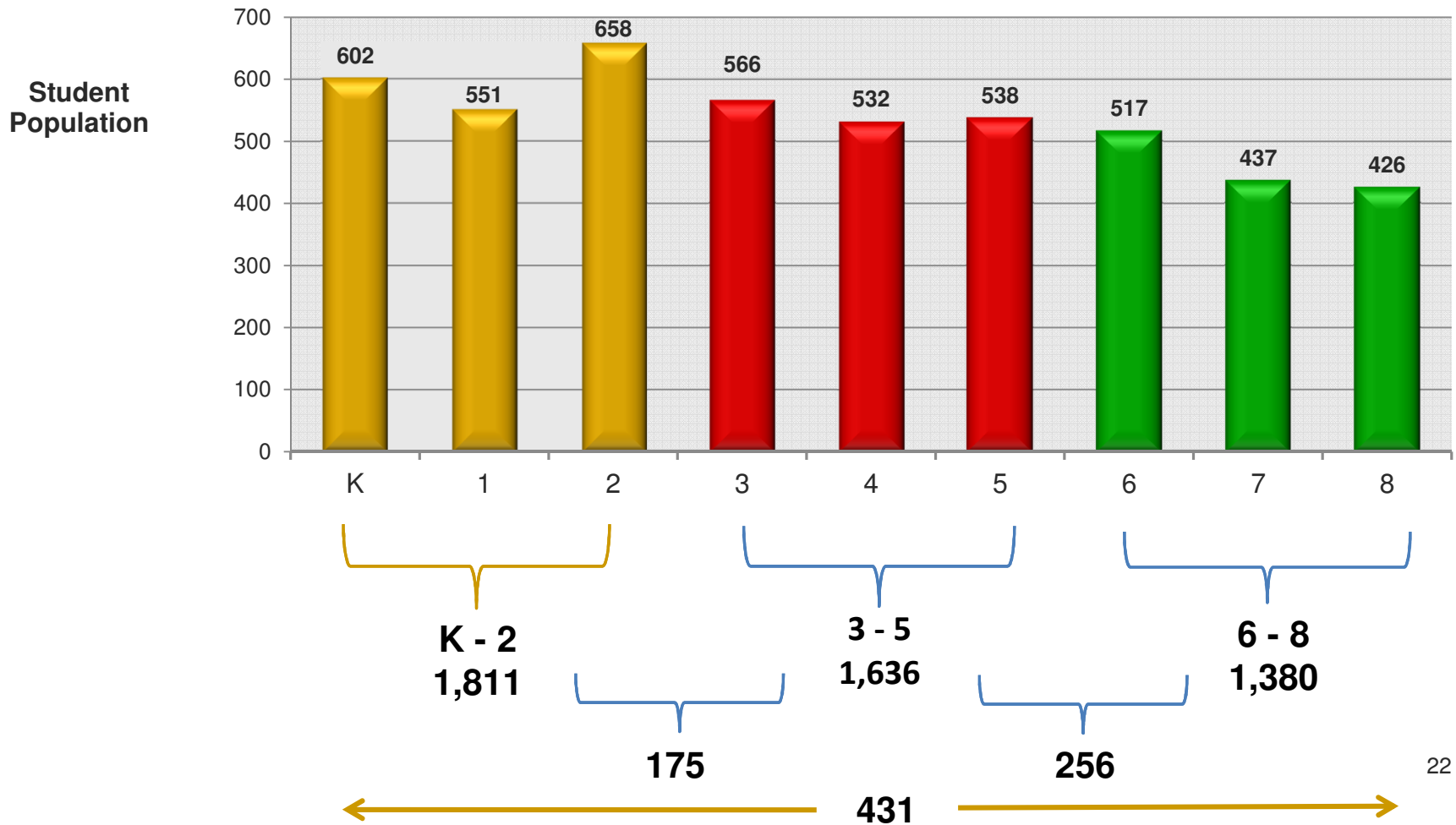
## Town Policies

- A. Total Outstanding Debt Per Capita = shall not exceed 6% of Per Capita Income.
- B. Total Outstanding Debt Per Capita = shall not exceed \$2,471 (for FY12).
- C. Total Outstanding Debt = shall not exceed 2.5% of Assessed Value (AV).
- D. Bond Maturities = 60% of General Fund principal shall mature within 10 years.
- E. CIP Financing = 5.5% of Prior Year's Net Revenue, with a goal of 4.25% from Debt-Financed and 1.25% from Revenue-Financed.

NOTE: "Net General Fund Debt" is total General Fund Debt less the share paid for by the State for the Lincoln, Heath, and Baker projects.

# [ OVERCROWDING IN SCHOOLS ]

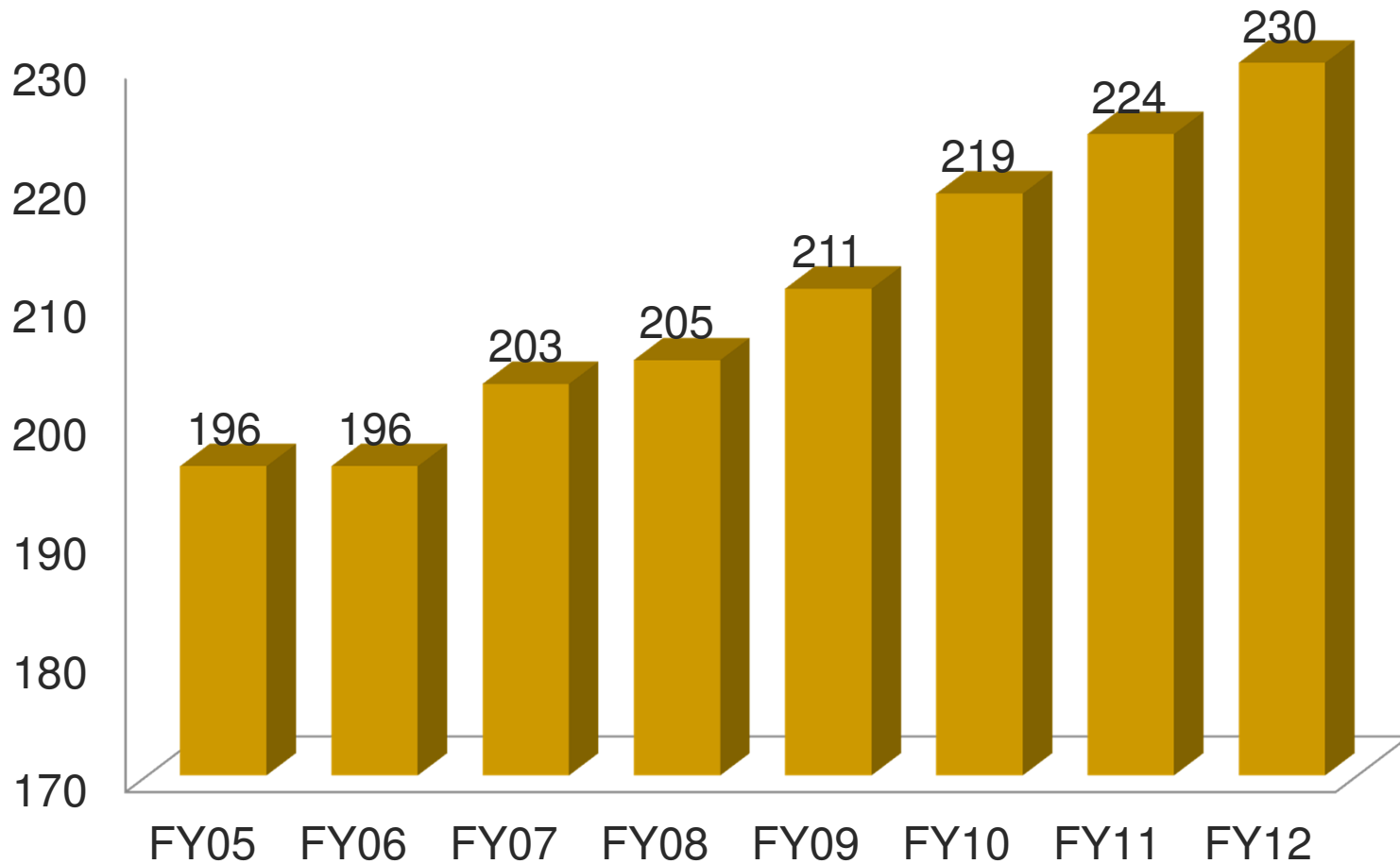
**Elementary Enrollment Growth FY12**  
**K - 2 , 3 - 5, 6 - 8**





# ELEMENTARY CLASSROOM DEMAND

## – K-8 Homeroom Sections

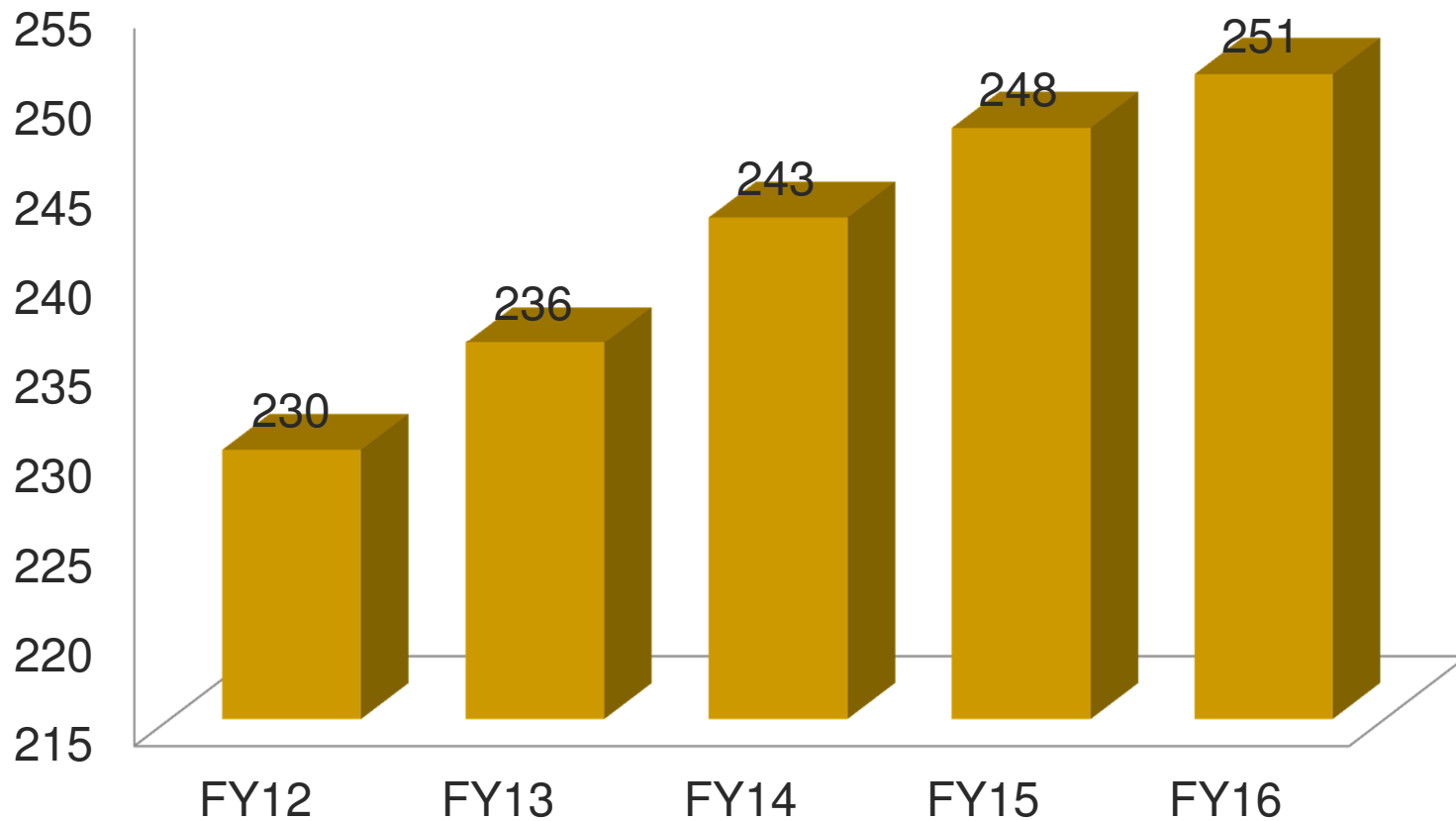


# BROOKLINE PRE-SCHOOL AND SCHOOL AGED POPULATION BY AGE, 2000 AND 2010

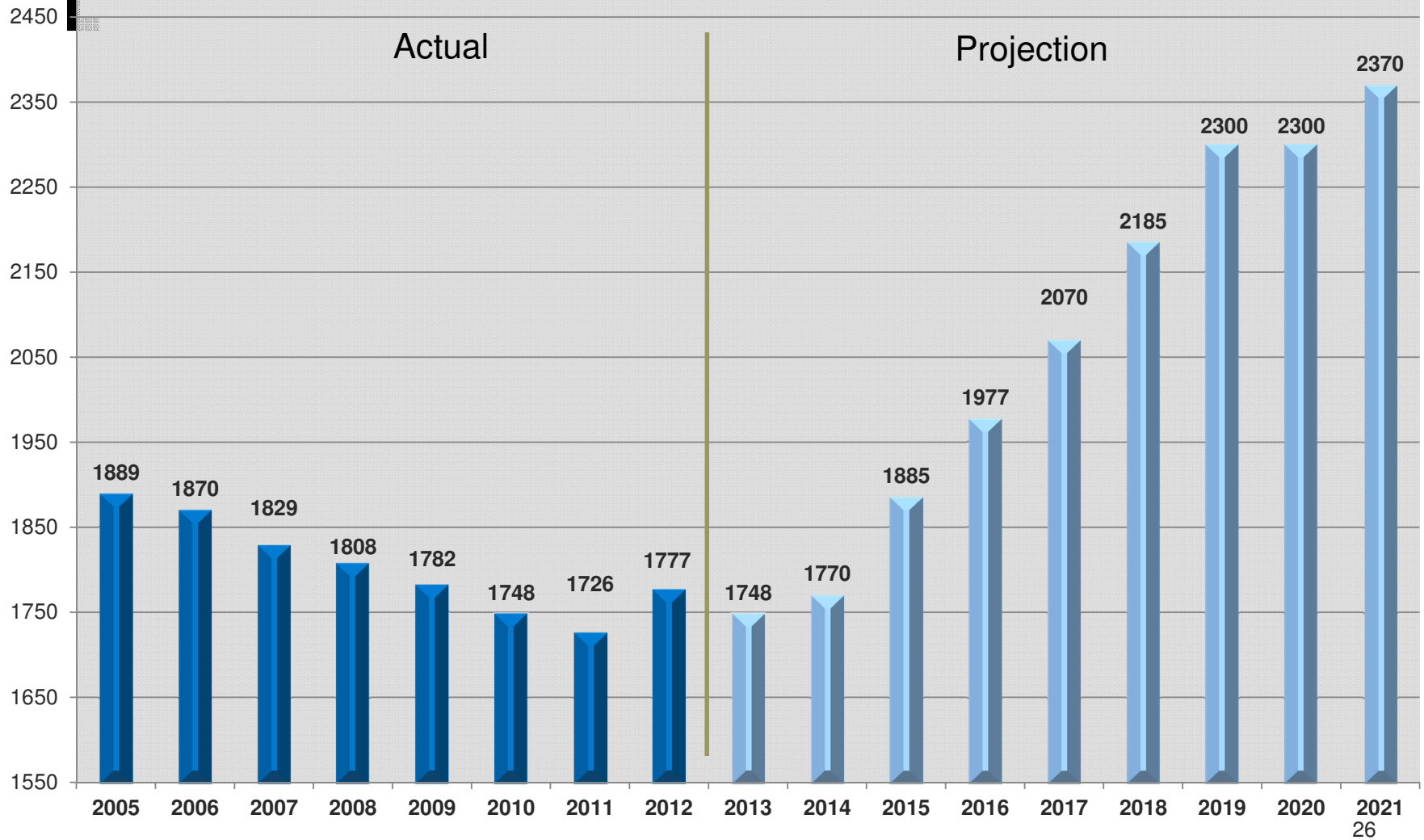
POPULATION BY AGE			POPULATION BY AGE GROUP			CHANGE: 2000-2010	
AGE	2000	2010	AGE GRP	2000	2010	POP.	%
Under 1	577	682					
1	552	617					
2	519	648					
3	509	653					
4	482	609	<5	2,639	3,209	570	21.6%
5	464	598					
6	478	644					
7	540	599					
8	499	609					
9	550	581	5-9	2,531	3,031	500	19.8%
10	534	548					
11	563	528					
12	553	520					
13	570	509					
14	482	501	10-14	2,702	2,606	-96	-3.6%
15	572	511					
16	536	532					
17	523	519					
18	530	586	15-18	2,161	2,148	-13	-0.6%
TOTAL	10,033	10,994					
TOTAL, 5-18	7,394	7,785					

# ELEMENTARY CLASSROOM DEMAND

## – Projected K-8 Homeroom Sections



# HIGH SCHOOL ENROLLMENT 2005 - 2021



# OVERCROWDING IN SCHOOLS – FUNDING PLAN

- **Classroom Capacity** – \$1.25 million is included in FY13.
  - In both FY08 and FY10, Town Meeting appropriated \$400,000 to address space needs. That \$800,000 has been used to fund the costs associated with creating additional classroom spaces in the school facilities.
  - In FY11, Town Meeting appropriated an additional \$530,000 to continue the necessary work, all of which has been committed.
  - The proposed \$1.2 million continues this program. It is projected to fund seven new classrooms in each SY12-13 and SY13-14. It could also go toward preparing the Old Lincoln School for use as classroom space and/or as a 9th grade campus when the High School reaches its capacity in a few years.
  
- **Devotion School** – remains at \$76.9 million, with funding for feasibility / schematic design (\$1.9 million) in FY14 and funding for construction (\$75 million) in FY15.
  - A key component of the funding plan is MSBA participation, at an estimated rate of 40%.
  - A 25-year term for the construction bond is anticipated, a term not used before.
  - Without MSBA participation, this project will need a Debt Exclusion Override.
  - Another critical factor is the project must increase overall classroom space. Without it, the district-wide overcrowding issue remains and, as a result, the MSBA will not participate

# OVERCROWDING IN SCHOOLS – FUNDING PLAN (con't)

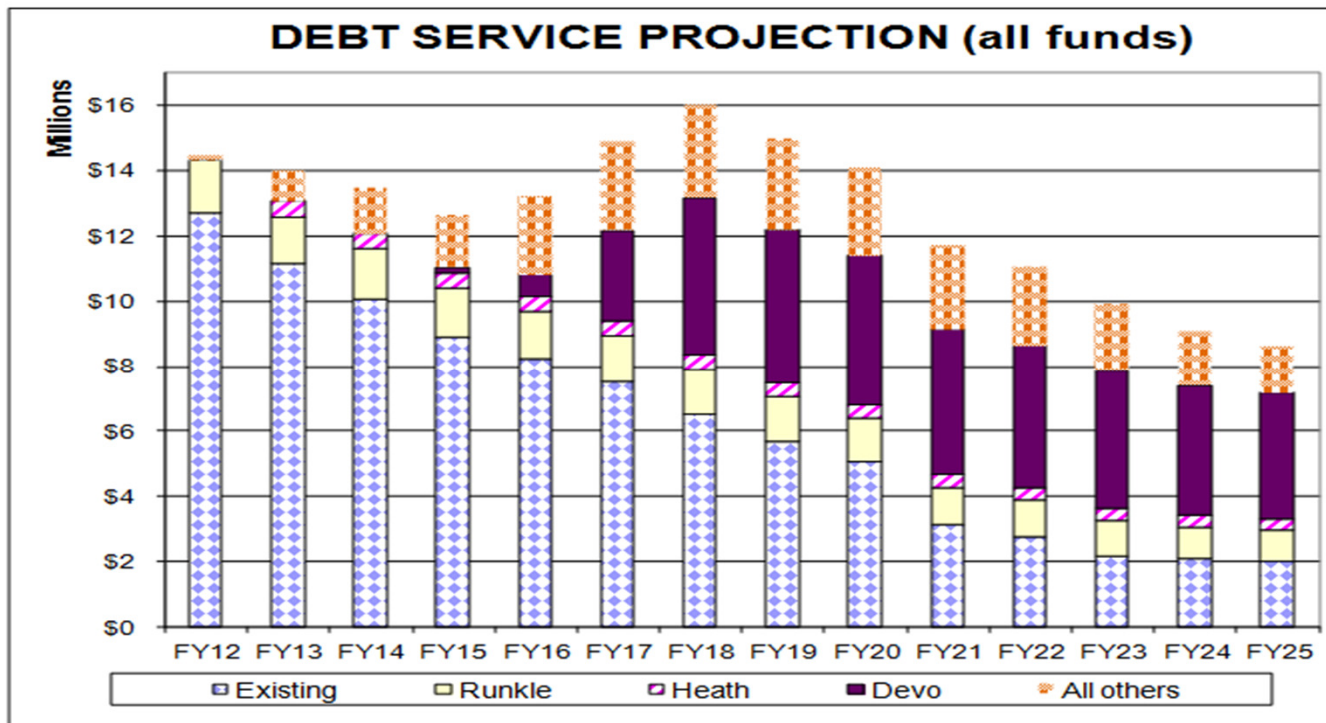
- **BHS Space Needs Study** – \$50,000 is included in FY13.
  - Enrollment pressure will begin hitting the High School around SY16-17 / SY17-18, so planning must begin immediately for this component of the overcrowding issue.
  - Funding would be used to review all possible options for addressing the capacity needs of BHS.
  - Solutions might range from relocating certain non-High School functions currently housed at BHS (Early Childhood, Adult Education, etc.) to utilizing the Old Lincoln School, once again, as a “Freshman Campus.”
  
- **Old Lincoln School** – \$500,000 is included for structural surface repairs.
  - In FY11, \$100,000 was appropriated for an engineering conditions analysis of the outside areas, which were deteriorating.
  - No estimate was available for the FY12 CIP; current estimate for the project is \$500,000. Plan on having the analysis complete and the project designed prior to the 2012 Annual Town Meeting.
  - It is important to undertake this project since it appears as though the Old Lincoln School is going to play a significant role in addressing the school overcrowding issue.

# DEVOTION SCHOOL

- A potential alternative to a phased-renovation approach is to undertake a land swap.
  - A new facility would be sited on what is currently park space and that open space would be replaced with a new park/playground where the building currently sits.
  - This option should be given serious consideration because it eliminates the logistical and financial issues associated with the phasing of the project and partial relocation of students
  - It also maximizes the availability of the Old Lincoln School for system-wide enrollment needs.
  - By eliminating the need to relocate some students to the Old Lincoln School while the project is under construction, the Old Lincoln School can be used for more immediate classroom space needs.
  - Also allows for the related advantages/efficiencies that can be achieved from new construction, without the constraints of working within an existing footprint or structure.
- Ultimately, this approach allows the Old Lincoln School to be used through SY16-17 / SY17-18 to take the stress off of elementary schools and then become available for the High School's use when that facility begins to feel the space crunch.
  - Old Lincoln would be vacated by the time it is needed for HS use since the new and larger Devotion School would be open (students at the Old Lincoln would be put back into the elementary schools that now have additional space since the expanded Devotion is able to take pressure off of other elementary schools).
- This and other concepts will be reviewed with the architect hired to conduct the Devotion School Concept Study.

# DEVOTION SCHOOL (con't)

- Whatever the final plan for the project is, it has a significant impact on the CIP.
  - Due primarily to this project, the revenue-financed CIP in both FY17 and FY18 is low compared to the first four years.
  - This then poses challenges to funding “standard” revenue-financed projects such as streets/sidewalks, park projects, and smaller-scale Town/School facility upgrades.
  - In FY17, the project consumes \$2.5M in debt service; in FY18, it is \$4.3M.







**TOWN OF BROOKLINE**  
*Massachusetts*

**DEPARTMENT OF PUBLIC WORKS**  
Engineering & Transportation Division

November 29, 2011

*Andrew M. Pappastergion*  
Commissioner  
*Peter M. Ditto, PE*  
Director

Board of Selectmen  
Town Hall  
Brookline, MA 02445

Dear Board Members:

Attached for your approval is Extra Work Order Number 3 in the amount of \$45,000.00 for work to be done by Lorusso Corp. in conjunction with Contract No. PW/09-25, Disposing of Leaves and Related Work.

The extra work is for additional disposing of materials.

The cost increase will be funded from account codes 40004300 523593 and 49910EW40 523593.

We ask for your approval of this work.

Very truly yours,

*Andrew M. Pappastergion*  
Andrew M. Pappastergion  
Commissioner of Public Works

TOWN OF BROOKLINE

ENGINEERING DIVISION

EXTRA WORK ORDER

Number 3

I, Daniel D. Boone, duly authorized representative of Lorusso Corp., Contractor, agree to perform all labor and supply such materials as may be necessary to perform additional disposing of materials under the contract for Disposing of Leaves and Related Work.

I further agree that the amount or amounts paid to Lorusso Corp., Contractor, for performing the above-specified work shall be as follows:

**Estimated amount of overages****\$45,000.00**

The work to be done is in connection with the contract between Lorusso Corp. and the Town of Brookline, Massachusetts, "Disposing of Leaves and Related Work," Contract No. PW/09-25, dated July 28, 2009.

Approved:

Lorusso Corp.

(Contractor)

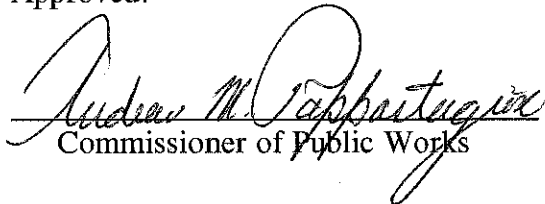


Authorized Representative

DANIEL D. BOONE Vice Pres

Date

Approved:

  
Commissioner of Public WorksTown Administrator

## Town Of Brookline

## Contract Amendment Approval Form

Department: Public Works/Engineering DivisionContract #: PW/09-25 Disposing of Leaves and Related WorkVendor Name and Address: Lorusso Corp., 3 Belcher St, Plainville, MA 02762

Change Order/Extra Work Order #: 3

Purchase Order #: 1210002Amount of Amendment \$ 45,000.00

Purpose of Amendment:

Description: Additional disposing of materials.

Coding:

Org #	Org Name *	Acct #	Acct Name	Amount
40004300		523593		\$40,000.00
4991EW40		523593		\$5,000.00

- For "K" or "C" accounts, please call it "CIP", preceded by your Dept (e.g., 4909K001 would be "DPW CIP").

Department Head: Andrew M. Pappalardo Date 11/29/2011

## Comptroller Approval of Coding and Funds Availability

Funds Available APC  
Comptroller11/25/11  
Date Approved by ComptrollerCodes correct APC  
Comptroller